

JOURNAL OF THE SENATE
OF THE
STATE OF VERMONT

ADJOURNED SESSION, 2024

VOLUME 1



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Journal of the Senate of the STATE OF VERMONT ADJOURNED SESSION, 2024

WEDNESDAY, JANUARY 3, 2024

Pursuant to the provisions of the 2023 final adjournment joint resolution of the two Houses (J.R.S. 29), the Senate convened at the State House at Montpelier, on Wednesday, the third day of January, two thousand twenty-four.

At ten o'clock in the forenoon, Eastern Standard Time, the Senate was called to order by the President, Lieutenant Governor David E. Zuckerman.

Devotional Exercises

Devotional exercises were conducted by the Reverend Devon Thomas of South Burlington.

Pledge of Allegiance

The President then led the members of the Senate in the pledge of allegiance.

Message from the Governor Appointments Referred

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointments, which were referred to committees as indicated:

The nominations of

Barron, Lisa M. of Milton - Member of the Board of Libraries - from July 12, 2023 to February 28, 2026.

To the Committee on Education.

Bates, Roderick of Perkinsville - Member of the Board of Libraries - from July 12, 2023 to February 28, 2027.

To the Committee on Education.

Battles, Benjamin D. of Waterbury - Superior Court Judge - from December 12, 2023 to March 31, 2026.

To the Committee on Judiciary.

Becher, Jeffrey of Vergennes - Member of the Electricians' Licensing Board - from June 5, 2023 to June 30, 2024.

To the Committee on Economic Development, Housing and General Affairs.

Benoit, John of Barre - Member of the Electricians' Licensing Board - from July 5, 2023 to June 30, 2026.

To the Committee on Economic Development, Housing and General Affairs.

Bloomer, Betsy Ide of Rutland - Member of the Vermont State Colleges Board of Trustees - from September 25, 2023 to February 28, 2027.

To the Committee on Education.

Bolton, Margaret of Vergennes - Member of the State Board of Health - from March 27, 2023 to February 28, 2029.

To the Committee on Health and Welfare.

Burke, Alexander N. of Arlington - Superior Court Judge - from November 17, 2023 to March 31, 2029.

To the Committee on Judiciary.

Ciappenelli, Rob of Warren - Member of the Board of Medical Practice - from November 1, 2023 to December 31, 2023.

To the Committee on Health and Welfare.

Clifford, Eric of Starksboro - Member of the VT Citizens' Advisory Committee on Lake Champlain's Future - from July 14, 2023 to February 28, 2026.

To the Committee on Natural Resources and Energy.

Cruickshank, Brenda A. of Northfield - Member of the Human Services Board - from April 10, 2023 to February 28, 2029.

To the Committee on Health and Welfare.

Dailey, Karina of Jericho - Member of the VT Citizens' Advisory Committee on Lake Champlain's Future - from July 14, 2023 to February 28, 2026.

To the Committee on Natural Resources and Energy.

Davis, Clarence of Shelburne - Member of the Vermont Housing and Conservation Board - from March 27, 2023 to January 31, 2026.

To the Committee on Economic Development, Housing and General Affairs.

Elliott, Wayne of South Burlington - Member of the VT Citizens' Advisory Committee on Lake Champlain's Future - from July 14, 2023 to February 28, 2026.

To the Committee on Natural Resources and Energy.

Farrell, Alex of South Burlington - Commissioner of the Department of Housing and Community Development - from November 1, 2023 to February 28, 2025.

To the Committee on Economic Development, Housing and General Affairs.

Fearon, Grey of Panton - Student Member of the State Board of Education - from June 23, 2023 to June 30, 2025.

To the Committee on Education.

Fels, Jennifer of North Bennington - Member of the Board of Libraries - from July 12, 2023 to February 28, 2026.

To the Committee on Education.

Fisher, Lori of Williston - Member of the VT Citizens' Advisory Committee on Lake Champlain's Future - from July 14, 2023 to February 28, 2026.

To the Committee on Natural Resources and Energy.

Fisher, Robert of Barre - Member of the VT Citizens' Advisory Committee on Lake Champlain's Future - from July 14, 2023 to February 28, 2024.

To the Committee on Natural Resources and Energy.

Gobeille, Kim of Shelburne - Member of the Vermont Economic Progress Council - from April 10, 2023 to March 31, 2027.

To the Committee on Economic Development, Housing and General Affairs.

Goodrich, Steven of North Bennington - Member of the Plumbers' Examining Board - from July 5, 2023 to June 30, 2027.

To the Committee on Economic Development, Housing and General Affairs.

Hankerson, Mario of Barre - Member of the Vermont Educational and Health Buildings Financing Agency - from April 10, 2023 to February 29, 2028.

To the Committee on Finance.

Harritt, Susan of Jericho - Member of the Human Services Board - from April 10, 2023 to February 28, 2029.

To the Committee on Health and Welfare.

Houghton, Mary of Putney - Commissioner of the Vermont State Housing Authority - from September 25, 2023 to February 28, 2024.

To the Committee on Economic Development, Housing and General Affairs.

Katz, Adriene of Williston - Member of the Board of Libraries - from June 5, 2023 to February 28, 2027.

To the Committee on Education.

Lucci, William of Poultney - Member of the Community High School of Vermont Board - from September 25, 2023 to February 28, 2026.

To the Committee on Education.

Lunge, Robin of Berlin - Member of the Green Mountain Care Board - from October 2, 2023 to September 30, 2029.

To the Committee on Health and Welfare.

Malone, Rachel Marie of South Burlington - Superior Court Judge - from December 12, 2023 to March 31, 2026.

To the Committee on Judiciary.

McManus, Susan Ann of Manchester - Superior Court Judge - from November 17, 2023 to March 31, 2029.

To the Committee on Judiciary.

Metz, Janet of Jericho - Member of the Employment Security Board - from August 14, 2023 to February 28, 2029.

To the Committee on Economic Development, Housing and General Affairs.

Naud, Mark of South Hero - Member of the VT Citizens' Advisory Committee on Lake Champlain's Future - from July 14, 2023 to February 28, 2024.

To the Committee on Natural Resources and Energy.

Philibert, Dawn of Williston - Member of the Board of Medical Practice - from November 1, 2023 to December 31, 2023.

To the Committee on Health and Welfare.

Reilly-Hughes, Denise of Cavendish - Secretary of the Agency of Digital Services - from September 14, 2023 to February 28, 2025.

To the Committee on Government Operations.

Scott, Judith of St. George - Member of the Board of Medical Practice - from November 15, 2023 to December 31, 2023.

To the Committee on Health and Welfare.

Smith, Denise of St. Albans - Member of the VT Citizens' Advisory Committee on Lake Champlain's Future - from July 14, 2023 to February 29, 2024.

To the Committee on Natural Resources and Energy.

Soloman, Hilary of Middletown Springs - Member of the VT Citizens' Advisory Committee on Lake Champlain's Future - from July 14, 2023 to February 28, 2024.

To the Committee on Natural Resources and Energy.

Spero, Navah C. of Richmond - Superior Court Judge - from December 21, 2023 to March 31, 2029.

To the Committee on Judiciary.

Thibault, Rory Thomas of Cabot - Superior Court Judge - from June 9, 2023 to March 31, 2029.

To the Committee on Judiciary.

Westervelt, Jan of Cabot - Member of the Human Services Board - from April 10, 2023 to February 28, 2029.

To the Committee on Health and Welfare.

Wilburn, Aaliyah of Derby - Student Member of the State Board of Education - from June 23, 2023 to June 30, 2024.

To the Committee on Education.

Joint Senate Resolutions Adopted on the Part of the Senate

Joint Senate resolutions of the following titles were offered, read and adopted on the part of the Senate, and are as follows:

By Senator Baruth,

J.R.S. 31. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, January 5, 2024, it be to meet again no later than Tuesday, January 9, 2024.

By Senator Baruth,

J.R.S. 32. Joint resolution to provide for a Joint Assembly to receive the State-of-the-State message from the Governor.

Resolved by the Senate and House of Representatives:

That the two Houses meet in Joint Assembly on Thursday, January 4, 2024, at two o'clock in the afternoon to receive the State-of-the-State message from the Governor.

By Senator Baruth,

J.R.S. 33. Joint resolution relating to Town Meeting adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 1, 2024, or Saturday, March 2, 2024, it be to meet again no later than Tuesday, March 12, 2024.

Senate Resolutions Adopted

Senate resolutions of the following titles were offered, read and adopted, and are as follows:

By Senator Baruth,

S.R. 12. Senate resolution relating to concurrently conducted electronic committee meetings.

Resolved by the Senate:

Notwithstanding the language in Permanent Senate Rule 32A limiting the applicability of Senate Rule 32A to Declarations of Emergency, the provisions of Permanent Senate Rule 32A regarding committee meetings shall be in effect through Friday, March 1, 2024.

By Senator Baruth,

S.R. 13. Senate resolution relating to electronic participation in Senate Sessions.

Resolved by the Senate:

That temporary Rule 9B(b), be amended as follows:

Rule 9B. Temporary Rule Regarding Electronic Participation in Senate Sessions

* * *

(b) This temporary rule shall remain in effect through Friday, ~~January 5,~~ 2024 March 1, 2024.

Senate Resolution Placed on Calendar

S.R. 14.

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

By Senator Baruth,

S.R. 14. Senate resolution relating to updating the Senate disclosure form.

Whereas, Under Senate Rule 103, on or before the 10th day of the beginning of the biennium, each senator shall submit to the Secretary a completed disclosure form, and

Whereas, the current disclosure form was adopted by the Senate in 2016, and

Whereas, as it has been over seven years since the form was adopted, and

Whereas, an improved disclosure form should require senators to disclose the information currently required by the Secretary of State when filing for their election, *now therefore be it*

Resolved by the Senate:

That the updated Senate disclosure form be ordered printed in the Senate Journal on the date of this resolution's adoption.

Thereupon, in the discretion of the President, under Rule 51, the resolution was placed on the Calendar for action tomorrow.

Bill Placed on Notice Calendar

S. 79.

Pursuant to Temporary Rule 44A, Senate bill of the following title, having failed to meet crossover and being released from the Committee on Rules, is placed on the Calendar for notice the next legislative day:

An act relating to limitations on hospital liens.

Bill Referred to Committee on Appropriations**S. 148.**

Pursuant to Temporary Rule 44A and Rule 31, Senate bill of the following title, having failed to meet crossover and being released from the Committee on Rules and carrying an appropriation or requiring the expenditure of funds, was referred to the Committee on Appropriations:

An act relating to child care and early childhood education.

Bills Referred

Pursuant to Temporary Rule 44A, the following bills having failed to meet crossover and being released by the Committee on Rules were referred to their respective committees of jurisdictions:

H. 21. An act relating to landlord notice of utility disconnections.

To the Committee on Finance.

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

To the Committee on Economic Development, Housing and General Affairs.

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

To the Committee on Health and Welfare.

Rules Suspended; Bills Introduced

On motion of Senator Baruth, the rules were suspended so that all Senate bills being introduced and read for the first time today be read by number only.

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 158.

By Senators Collamore, Chittenden, Norris, Starr, Weeks and Williams,

An act relating to excepting persons 70 years of age or older from jury service.

To the Committee on Judiciary.

S. 159.

By Senators Hardy, Clarkson, Norris, Vyhovsky, Watson and White,

An act relating to the County Governance Study Committee.

To the Committee on Government Operations.

S. 160.

By Senators Cummings, Baruth, Bray, Chittenden, Collamore, Hardy, Harrison, Kitchel, Lyons, Ram Hinsdale, Watson, Westman and White,

An act relating to State education property taxes and flood-related damage.

To the Committee on Finance.

S. 161.

By Senator Hardy,

An act relating to the meeting of presidential electors.

To the Committee on Government Operations.

S. 162.

By Senator Lyons,

An act relating to extending the moratorium on home health agency certificates of need.

To the Committee on Health and Welfare.

S. 163.

By Senators Hashim and Harrison,

An act relating to establishing two Superior judge positions.

To the Committee on Judiciary.

S. 164.

By Senators Hardy and Ram Hinsdale,

An act relating to health insurance coverage for obesity care.

To the Committee on Finance.

S. 165.

By Senator Ram Hinsdale,

An act relating to stolen motor vehicles and drug paraphernalia.

To the Committee on Judiciary.

S. 166.

By Senator Perchlik,

An act relating to the Vermont charitable contribution credit.

To the Committee on Finance.

S. 167.

By Senator Champion,

An act relating to miscellaneous amendments to education law.

To the Committee on Education.

S. 168.

By Senator Champion,

An act relating to a report on the postgraduation career and settlement behaviors of students attending Vermont colleges and universities.

To the Committee on Education.

S. 169.

By Senator Champion,

An act relating to virtual learning.

To the Committee on Education.

S. 170.

By Senator Champion,

An act relating to the creation of the statewide Study Abroad Program.

To the Committee on Education.

S. 171.

By Senator Ram Hinsdale,

An act relating to the legal residency of a student following displacement by a natural disaster.

To the Committee on Education.

S. 172.

By Senator Hashim,

An act relating to the Education Bill of Rights for Children Who Are Deaf, Hard of Hearing, or DeafBlind.

To the Committee on Education.

S. 173.

By Senator Lyons,

An act relating to the collection, sharing, and selling of consumer health data.

To the Committee on Health and Welfare.

S. 174.

By Senator Lyons,

An act relating to best interests of the child standard in custody determinations.

To the Committee on Judiciary.

S. 175.

By Senator Perchlik,

An act relating to requiring retail businesses to accept cash.

To the Committee on Economic Development, Housing and General Affairs.

S. 176.

By Senator Hashim,

An act relating to subsequent evaluations of competency to stand trial.

To the Committee on Judiciary.

S. 177.

By Senator Hashim,

An act relating to e-mail notice for residential rental agreements.

To the Committee on Economic Development, Housing and General Affairs.

S. 178.

By Senator Cummings,

An act relating to escrow deposit bonds.

To the Committee on Economic Development, Housing and General Affairs.

S. 179.

By Senator Cummings,

An act relating to flood recovery bonds.

To the Committee on Government Operations.

S. 180.

By Senator Cummings,

An act relating to the investment of State funds in credit unions.

To the Committee on Finance.

S. 181.

By Senator Baruth,

An act relating to the Community Media Public Benefit Fund.

To the Committee on Finance.

S. 182.

By Senator MacDonald,

An act relating to contractor liability related to subcontractor work.

To the Committee on Economic Development, Housing and General Affairs.

S. 183.

By Senators Kitchel, Hardy and Lyons,

An act relating to planning for the Agency of Health Care Administration.

To the Committee on Government Operations.

S. 184.

By Senators Gulick, Chittenden and Hashim,

An act relating to the use of automated traffic law enforcement (ATLE) systems.

To the Committee on Transportation.

S. 185.

By Senator Clarkson,

An act relating to the right of entry following a tax sale.

To the Committee on Government Operations.

S. 186.

By Senator Lyons,

An act relating to the systemic evaluation of recovery residences and recovery communities.

To the Committee on Health and Welfare.

S. 187.

By Senators Wrenner and Lyons,

An act relating to student application of sunscreen and car seat safety.

To the Committee on Transportation.

S. 188.

By Senator Lyons,

An act relating to supports for child care providers.

To the Committee on Health and Welfare.

S. 189.

By Senator Lyons,

An act relating to mental health response service protocols.

To the Committee on Health and Welfare.

S. 190.

By Senators Norris, Collamore, Lyons and Wrenner,

An act relating to statements made by a child victim of an offense involving serious bodily injury.

To the Committee on Judiciary.

S. 191.

By Senator Hashim,

An act relating to New American Advancement Grant Applicants.

To the Committee on Education.

S. 192.

By Senators Lyons and Sears,

An act relating to forensic facility admissions criteria and processes.

To the Committee on Health and Welfare.

S. 193.

By Senators Gulick, Chittenden, Cummings, Hardy, Harrison, Hashim, Lyons, Vyhovsky, Weeks, White and Wrenner,

An act relating to Vermont's adoption of the Social Work Licensure Compact.

To the Committee on Health and Welfare.

S. 194.

By Senators Gulick, Hashim and Weeks,

An act relating to public safety reporting.

To the Committee on Government Operations.

S. 195.

By Senators Collamore, Hardy, Sears and Weeks,

An act relating to how a defendant's criminal record is considered in imposing conditions of release.

To the Committee on Judiciary.

S. 196.

By Senators Hashim, Gulick, Harrison, Kitchel, MacDonald, Perchlik, Watson, Williams and Wrenner,

An act relating to the types of evidence permitted in weight of the evidence hearings.

To the Committee on Judiciary.

S. 197.

By Senators Lyons, Gulick, Watson and Wrenner,

An act relating to the procurement and distribution of products containing perfluoroalkyl and polyfluoroalkyl substances and monitoring adverse health conditions attributed to perfluoroalkyl and polyfluoroalkyl substances.

To the Committee on Health and Welfare.

S. 198.

By Senator Weeks,

An act relating to a governor's mansion study committee.

To the Committee on Government Operations.

S. 199.

By Senator Clarkson,

An act relating to mergers and governance of communications union districts.

To the Committee on Finance.

S. 200.

By Senator Starr,

An act relating to establishing the Vermont Imagination Library.

To the Committee on Education.

S. 201.

By Senators Gulick, Vyhovsky, Watson and Wrenner,

An act relating to requiring employers to provide delivery vehicles equipped with air conditioning.

To the Committee on Economic Development, Housing and General Affairs.

S. 202.

By Senators Gulick, Hardy, Harrison, Hashim, Lyons, MacDonald, Watson and White,

An act relating to the approval of independent schools.

To the Committee on Education.

S. 203.

By Senators Gulick, Baruth, Hashim and Perchlik,

An act relating to the appointment of State Board of Education members.

To the Committee on Education.

S. 204.

By Senators Gulick, Baruth, Clarkson, Hardy, Harrison, Hashim, Perchlik, Starr, Vyhovsky and Wrenner,

An act relating to reading assessment and intervention.

To the Committee on Education.

S. 205.

By Senators Lyons, Bray, Gulick, MacDonald, Williams and Wrenner,

An act relating to prohibiting the use of trichloroethylene.

To the Committee on Health and Welfare.

S. 206.

By Senators Wrenner, Chittenden, Gulick, Lyons, Vyhovsky and White,

An act relating to designating Juneteenth as a legal holiday.

To the Committee on Government Operations.

S. 207.

By Senators Clarkson and Campion,

An act relating to revising the funding for and governance of career technical education.

To the Committee on Education.

S. 208.

By Senators Hardy and Gulick,

An act relating to judicial retention and judicial nominations.

To the Committee on Judiciary.

S. 209.

By Senators Sears, Baruth, Campion, Bray, Chittenden, Gulick, Harrison, Lyons, McCormack, Watson, Weeks, White and Wrenner,

An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers, and to juvenile offenses in the Criminal Division.

To the Committee on Judiciary.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, January 4, 2024.

THURSDAY, JANUARY 4, 2024

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. 1

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

J.R.S. 32. Joint resolution to provide for a Joint Assembly to receive the State-of-the-State message from the Governor.

And has adopted the same in concurrence.

Committee Relieved of Further Consideration; Bill Committed

S. 182.

On motion of Senator Ram Hinsdale, the Committee on Economic Development, Housing and General Affairs was relieved of further consideration of Senate bill entitled:

An act relating to contractor liability related to subcontractor work, and the bill was committed to the Committee on Finance.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 34.

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senator Kitchel,

J.R.S. 34. Joint resolution to provide for a Joint Assembly to hear the budget message of the Governor.

Resolved by the Senate and House of Representatives:

That the two Houses meet in Joint Assembly on Tuesday, January 23, 2024, at one o'clock in the afternoon to receive the budget message of the Governor.

Joint Resolution Referred

J.R.S. 35.

Joint Senate resolution of the following title was offered, read the first time and is as follows:

By Senator Vyhovsky,

J.R.S. 35. Joint resolution urging Congress to support statehood and all accompanying legal rights and privileges for the District of Columbia.

Whereas, the U.S. Constitution, as ratified following the Constitutional Convention of 1787, granted the right to vote for congressional representation to qualified voters in all the states, including those living in the sections of Maryland and Virginia that the District of Columbia Organic Act of 1801 (the Act) later designated as the nation's capital (the District), and

Whereas, the Act disenfranchised citizens residing in the District because they were no longer the residents of any state, and

Whereas, in 1961, the 23rd Amendment to the U.S. Constitution gave the District's electorate the right to vote in presidential elections, and

Whereas, in 1970, Congress enacted 2 U.S.C. § 25a authorizing the District's voters to elect a nonvoting delegate to Congress but not providing for U.S. Senate representation, and

Whereas, in 1973, Congress enacted the District of Columbia Home Rule Act (now known as the District of Columbia Self-Government and Governmental Reorganization Act) establishing an elected mayoralty and city council whose independence is limited, and

Whereas, on occasion, Congress has overridden locally adopted laws, such as the recently enacted criminal code revision, and the jurisdiction's annual budget is subject to congressional amendment, and

Whereas, the mayor of the District lacks the independent authority to call up the D.C. National Guard regardless of the circumstances, and

Whereas, the District and its citizens retain unequal and inferior sovereignty, electoral, and representational rights compared to those existing in the 50 states, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly urges Congress to support statehood and all accompanying legal rights and privileges for the District of Columbia, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to President Joseph R. Biden, the U.S. Senate Committee on Homeland Security and Governmental Affairs, the U.S. House Committee on Oversight and Accountability, Speaker of the House Mike Johnson, D.C. Delegate Eleanor Holmes Norton, and the Vermont Congressional Delegation.

Thereupon, the President, in his discretion, treated the joint resolution as a bill and referred it to the Committee on Government Operations.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 210.

By Senators Hardy, Harrison and White,

An act relating to motor vehicle and pedestrian safety.

To the Committee on Transportation.

S. 211.

By Senators Lyons, Clarkson and Kitchel,

An act relating to health care reform and to the regulatory duties of the Green Mountain Care Board.

To the Committee on Health and Welfare.

S. 212.

By Senators Clarkson, Hardy, Campion, Gulick, Perchlik, Watson, White and Wrenner,

An act relating to the open carry of firearms at polling places, political debates, and public demonstrations.

To the Committee on Judiciary.

S. 213.

By Senators Bray, Baruth, Clarkson, Gulick, Hardy, Harrison, Hashim, McCormack, Perchlik, Vyhovsky, Watson, Westman and White,

An act relating to the regulation of wetlands, river corridor development, and dam safety.

To the Committee on Natural Resources and Energy.

S. 214.

By Senators Hardy, Gulick, Hashim, Ram Hinsdale, Vyhovsky and White,

An act relating to emergency orders against stalking or sexual assault.

To the Committee on Judiciary.

S. 215.

By Senators Hardy, Cummings, Gulick and Lyons,

An act relating to 3SquaresVT.

To the Committee on Health and Welfare.

Senate Resolution Adopted

S.R. 14.

Senate resolution entitled:

Senate resolution relating to updating the Senate disclosure form

Appearing on the Calendar for action, was taken up and adopted.

Pursuant to S.R. 14, the Senate Disclosure Form was ordered printed in the Senate Journal and is as follows:

Senate Disclosure Form

PRINT NAME

1. Sources of income – For you, your spouse or your domestic partner as defined in 17 V.S.A. § 2414 (e)(1), or both of you together, disclose each source of income that totals more than \$5,000.00. You do not need to provide the actual dollar amount.

A. **Employment income** – List each employer and employer business address. If you are self-employed, describe the nature of your employment.

Neither I nor my spouse/domestic partner have sources of employment income required to be listed.

Employer Name	Employer Business Address or description of work if self-employed	Senator/Spouse or Domestic Partner/Joint

B. **Investment income** – For you, your spouse or your domestic partner, or both of you together, disclose each source of investment income that totals more than \$5,000.00. You do not need to provide the actual dollar amount.

Sources of investment income may include, but are not limited to, stocks, bonds, mutual funds, income-producing property, joint ventures and business interests not included in Part 3 below. Brokerage firms may be listed; individual stock holdings need not be

disclosed unless stock ownership represents 10% or more, in which case the ownership should be listed in Part 3 below. Retirement holdings need not be listed.

Neither I nor my spouse/domestic partner have investments required to be listed.

Source	Nature of Investment	Senator/Spouse or Domestic Partner /Joint

C. Other Sources of Income - For you, your spouse or your domestic partner, or both of you together, disclose each additional source of income not mentioned above, that totals more than \$5,000.00. You do not need to provide the actual dollar amount.

Neither I nor my spouse/domestic partner have any other sources of income required to be listed.

Source of Income	Senator/Spouse or Domestic Partner/Joint

2. Service – List each board, commission, or other entity that is regulated by law or that receives funding from the State of Vermont on which you serve and your position on it.

I have no service to list.

Board, Commission, other Entity	Position held

3. Company Ownership – List any company which you, or your spouse or domestic partner, or both together own more than 10 percent.

Neither I nor my spouse/domestic partner have businesses required to be listed.

Business Name	Business Address	Senator/Spouse or Domestic Partner /Joint

4. Lease or Contract with the State – List any lease or contract with the State held or entered into by (a) you or your spouse or domestic partner; or (b) a company of which you or your spouse or domestic partner, or both together owned more than 10 percent.

Neither I nor my spouse/domestic partner have leases or contracts required to be listed.

Type of lease or contract	Senator/Spouse or Domestic Partner /Joint

5. Lobbying Activities – If your spouse or domestic partner is a lobbyist, enter the name of your spouse or domestic partner below and, if applicable, the name of his or her lobbying firm.

My spouse/domestic partner has no lobbying activities required to be listed.

Name of spouse/domestic partner	Name of lobbying firm

SIGN ON BACK OF PAGE

[BACK OF PAGE]

Signature

Date

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, JANUARY 5, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Rabbi Tobie Weisman of Montpelier.

Senate Bill Recommitted

S. 79.

Appearing on the calendar for action, on motion of Senator Baruth, Senate bill entitled:

An act relating to limitations on hospital liens.
was recommitted to the Committee on Judiciary.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 216.

By Senators Collamore, Weeks and Williams,

An act relating to the governance and transformation of the Vermont State Colleges Corporation.

To the Committee on Education.

S. 217.

By Senators Vyhovsky, Gulick, Hardy, Perchlik, Watson, White and Wrenner,

An act relating to excluding medical debt from credit reports.

To the Committee on Judiciary.

S. 218.

By Senator Westman,

An act relating to the staffing of the Dam Safety Division.

To the Committee on Natural Resources and Energy.

S. 219.

By Senator Hardy,

An act relating to municipal regulation of private airstrips.

To the Committee on Natural Resources and Energy.

S. 220.

By Senators Hardy, Gulick, Clarkson, Harrison, Perchlik, Watson, White and Wrenner,

An act relating to Vermont's public libraries.

To the Committee on Education.

S. 221.

By Senators Vyhovsky, McCormack and White,

An act relating to compensation for the Governor and the heads of departments and agencies.

To the Committee on Government Operations.

Message from the House No. 2

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 House has considered joint resolutions originating in the Senate of the following titles:

J.R.S. 31. Joint resolution relating to weekend adjournment.

J.R.S. 33. Joint resolution relating to Town Meeting adjournment.

And has adopted the same in concurrence.

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

H.C.R. 128. House concurrent resolution honoring Vermont National Guard Deputy Adjutant General Kenneth Gragg for his exemplary career accomplishments.

H.C.R. 129. House concurrent resolution designating September 26, 2024 as Mesothelioma Awareness Day in Vermont.

H.C.R. 130. House concurrent resolution honoring Richard DeGray for his dedication to the botanical beautification of Brattleboro.

H.C.R. 131. House concurrent resolution congratulating the 2023 Division I Colchester High School Lakers championship girls' soccer team.

In the adoption 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. 158. An act relating to the beverage container redemption system.

And has passed the same, the refusal of the Governor to approve notwithstanding.

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. Hango and others,

By Senators Hardy, Ram Hinsdale, Williams and Wrenner,

H.C.R. 128.

House concurrent resolution honoring Vermont National Guard Deputy Adjutant General Kenneth Gragg for his exemplary career accomplishments.

By Rep. Priestley,

H.C.R. 129.

House concurrent resolution designating September 26, 2024 as Mesothelioma Awareness Day in Vermont.

By Reps. Burke and others,

By Senators Harrison and Hashim,

H.C.R. 130.

House concurrent resolution honoring Richard DeGray for his dedication to the botanical beautification of Brattleboro.

By Reps. Austin and others,

By Senators Baruth, Mazza and Vyhovsky,

H.C.R. 131.

House concurrent resolution congratulating the 2023 Division I Colchester High School Lakers championship girls' soccer team.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, January 9, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 31.

TUESDAY, JANUARY 9, 2024

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.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 36.

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. 36. Joint resolution relating to weekend adjournment on January 12, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, January 12, 2024, it be to meet again no later than Tuesday, January 16, 2024.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 222.

By Senator Sears,

An act relating to sealing records of nonviolent offenses.

To the Committee on Judiciary.

S. 223.

By Senators Cummings, Brock, Chittenden, McCormack and Ram Hinsdale,

An act relating to the assessment of the Vermont Emergency Management Division's disaster preparedness.

To the Committee on Government Operations.

S. 224.

By Senators Hardy, Baruth, Bray, Clarkson, Gulick, McCormack, Watson, White and Wrenner,

An act relating to compensation and benefits for members of the Vermont General Assembly.

To the Committee on Government Operations.

S. 225.

By Senator Vyhovsky,

An act relating to criminal sentencing and decarceration.

To the Committee on Judiciary.

S. 226.

By Senator Vyhovsky,

An act relating to seizure and forfeiture reporting.

To the Committee on Judiciary.

S. 227.

By Senators Harrison, Chittenden, Clarkson, White and Wrenner,

An act relating to the siting of transit amenities.

To the Committee on Natural Resources and Energy.

S. 228.

By Senators Harrison, Watson and Wrenner,

An act relating to requiring a jurisdictional opinion to be exempt from Act 250.

To the Committee on Natural Resources and Energy.

S. 229.

By Senators Harrison, Bray, Chittenden, Clarkson, Hashim and White,

An act relating to nonprofit public transit systems.

To the Committee on Government Operations.

S. 230.

By Senators Harrison, Lyons, Clarkson, Ram Hinsdale and Wrenner,

An act relating to Medicare Advantage and Medicare supplemental insurance plans.

To the Committee on Finance.

S. 231.

By Senators White, Clarkson and McCormack,

An act relating to establishing a pilot for community nurse programs serving aging Vermonters.

To the Committee on Health and Welfare.

S. 232.

By Senator Wrenner,

An act relating to revoking Vermont's use of California's Clean Air Act waiver.

To the Committee on Natural Resources and Energy.

S. 233.

By Senators Clarkson and Collamore,

An act relating to amendments to the scope of practice for optometrists.

To the Committee on Health and Welfare.

S. 234.

By Senator Westman,

An act relating to amending the pension system for sheriffs and certain deputy sheriffs.

To the Committee on Government Operations.

S. 235.

By Senators Watson, MacDonald, McCormack, Perchlik, Vyhovsky and White,

An act relating to survivor benefits for public works employees.

To the Committee on Government Operations.

S. 236.

By Senators Watson, Gulick, Vyhovsky and White,

An act relating to amending the criteria of 30 V.S.A. § 248.

To the Committee on Finance.

S. 237.

By Senators Wrenner, Baruth, Bray, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Harrison, Hashim, Ingalls, Kitchel, MacDonald, McCormack, Norris, Perchlik, Starr, Vyhovsky, Weeks, Westman, White and Williams,

An act relating to the posting of municipal employment vacancies.

To the Committee on Government Operations.

S. 238.

By Senator Westman,

An act relating to the Board of Trustees of the Vermont State Colleges Corporation.

To the Committee on Education.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, January 10, 2024.

WEDNESDAY, JANUARY 10, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Kenzan of East Calais.

Message from the House No. 3

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 House has adopted joint resolutions of the following titles:

J.R.H. 7. Joint resolution authorizing limited remote joint committee voting through the remainder of calendar year 2024.

J.R.H. 8. Joint resolution providing for an election to fill a vacancy in the Office of Sergeant at Arms.

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. 34. Joint resolution to provide for a Joint Assembly to hear the budget message of the Governor.

And has adopted the same in concurrence.

Consideration Postponed

House bill entitled:

H. 158.

An act relating to the beverage container redemption system.

Was taken up.

Thereupon, pending consideration of the Governor's veto, Senator Baruth moved that consideration of the bill be postponed until Tuesday, January 23, 2024, which was agreed to.

Standing Committee Realigned

The President, on behalf of the Committee on Committees, reported the realignment of the following standing committee:

TRANSPORTATION

Senator Mazza
Perchlik
Chittenden
Kitchel
Ingalls

Joint Resolution Placed on Calendar**J.R.H. 7.**

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

Joint resolution authorizing limited remote joint committee voting through the remainder of calendar year 2024

Resolved by the Senate and House of Representatives:

That through the remainder of calendar year 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 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.

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was placed on the Calendar for action the next legislative day.

Joint Resolution Placed on Calendar**J.R.H. 8.**

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

Joint resolution providing for an election to fill a vacancy in the Office of Sergeant at Arms

Whereas, Sergeant at Arms Janet Miller has announced her retirement and has provided a retirement date of Friday, March 1, 2024, which will cause a vacancy in the office on that date, *and*

Whereas, 2 V.S.A. § 11 provides that the General Assembly shall fill a vacancy in office existing or occurring while it is in session, where the incumbent is by law elected by the General Assembly, and such an officer so elected shall hold the respective office during the unexpired term, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the two Houses meet in Joint Assembly on Friday, March 1, 2024, at ten o'clock and thirty minutes in the forenoon, to elect a Sergeant at Arms for the remainder of the unexpired term. In case the election of Sergeant at Arms shall not be made on that day, the two Houses shall meet in Joint Assembly at ten o'clock and thirty minutes in the forenoon, on each succeeding day, Saturdays and Sundays excepted, and proceed in such election, until the officer is elected.

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was placed on the Calendar for action the next legislative day.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 239.

By Senators Clarkson and Hardy,

An act relating to prohibiting possession of semiautomatic assault weapons.

To the Committee on Judiciary.

S. 240.

By Senators Hardy, Lyons, Bray, Campion, Clarkson, Gulick, Harrison, Hashim, MacDonald, McCormack, Vyhovsky, Watson, White and Wrenner,

An act relating to expanding access to Medicaid and Dr. Dynasaur.

To the Committee on Finance.

S. 241.

By Senator Clarkson,

An act relating to revising the delivery and governance of the Vermont workforce system.

To the Committee on Economic Development, Housing and General Affairs.

S. 242.

By Senators Harrison, Brock, Clarkson, Cummings, Ram Hinsdale and Wrenner,

An act relating to the maintenance of properties for the health and safety of the public.

To the Committee on Government Operations.

S. 243.

By Senators Harrison, Brock, Clarkson, Cummings, Gulick, Hashim, McCormack, Ram Hinsdale and Watson,

An act relating to the formation of stormwater utility districts.

To the Committee on Government Operations.

S. 244.

By Senators Harrison and Wrenner,

An act relating to the definition of a mobile home park.

To the Committee on Economic Development, Housing and General Affairs.

S. 245.

By Senators Harrison, Clarkson and Hashim,

An act relating to issuing grants for permanent supportive housing.

To the Committee on Economic Development, Housing and General Affairs.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, January 11, 2024.

THURSDAY, JANUARY 11, 2024

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 246.

By Senators Clarkson, McCormack, Ram Hinsdale and White,

An act relating to amending the Vermont basic needs budget and livable wage.

To the Committee on Economic Development, Housing and General Affairs.

S. 247.

By Senators Clarkson, Brock, Cummings, Harrison and Ram Hinsdale,

An act relating to repealing the Vermont Employment Growth Incentive (VEGI) Program sunset.

To the Committee on Economic Development, Housing and General Affairs.

S. 248.

By Senator White,

An act relating to the Uniform Family Law Arbitration Act.

To the Committee on Judiciary.

S. 249.

By Senators Perchlik, Harrison and Watson,

An act relating to heating systems in Agency of Transportation buildings.

To the Committee on Institutions.

S. 250.

By Senators White, Clarkson, McCormack and Watson,

An act relating to emergency management personnel.

To the Committee on Government Operations.

S. 251.

By Senators Williams, Collamore, Weeks and Wrenner,

An act relating to State boards and commissions and State employees.

To the Committee on Government Operations.

S. 252.

By Senators Bray, Hardy, McCormack, Watson and White,
An act relating to thermal energy networks.
To the Committee on Natural Resources and Energy.

S. 253.

By Senators Bray, Hardy and White,
An act relating to building energy codes.
To the Committee on Natural Resources and Energy.

S. 254.

By Senators Bray, Hardy, Perchlik and White,
An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program.
To the Committee on Natural Resources and Energy.

Joint Resolutions Adopted in Concurrence

Joint House resolutions entitled:

J.R.H. 7. Joint resolution authorizing limited remote joint committee voting through the remainder of calendar year 2024.

J.R.H. 8. Joint resolution providing for an election to fill a vacancy in the Office of Sergeant at Arms.

Having been placed on the Calendar for action, were taken up and were severally adopted in concurrence.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, JANUARY 12, 2024

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. 4

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

J.R.S. 36. Joint resolution relating to weekend adjournment on January 12, 2024.

And has adopted the same in concurrence.

Proposed Amendment to the Constitution Introduced

The Proposed Amendment to the Constitution of the State of Vermont designated as Proposal 5 was introduced, read the first time and referred:

PROPOSAL 5

Sec. 1. PURPOSE

This proposal would amend the Constitution of the State of Vermont in order to provide that the citizens of the State have a right to a clean environment.

Sec. 2. Article 23 of Chapter I of the Vermont Constitution is added to read:

Article 23. [Right to a clean environment]

That the people have a right to clean air and water and the preservation of the natural, scenic, and cultural values of the environment. The State of Vermont's natural resources are the common property of all the people. The State shall conserve and maintain the natural resources of Vermont for the benefit of all people.

Sec. 3. EFFECTIVE DATE

The amendment set forth in this proposal 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 Natural Resources and Energy.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 255.

By Senator Watson,

An act relating to equity and public access at the Public Utility Commission.

To the Committee on Government Operations.

S. 256.

By Senators Williams, Collamore, Gulick, Hashim, Norris and Weeks,

An act relating to Department of Motor Vehicles credentials and number plates with veteran designations.

To the Committee on Transportation.

S. 257.

By Senators Vyhovsky, Baruth, Clarkson, Gulick, Hardy, McCormack, Ram Hinsdale, Watson and White,

An act relating to secondary enforcement of certain motor vehicle violations.

To the Committee on Transportation.

S. 258.

By Senators Bray, Hardy, McCormack and White,

An act relating to the management of fish and wildlife.

To the Committee on Natural Resources and Energy.

S. 259.

By Senators Watson, Sears, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Vyhovsky, White and Wrenner,

An act relating to climate change cost recovery.

To the Committee on Judiciary.

S. 260.

By Senators Watson, Clarkson, Hardy and Vyhovsky,

An act relating to replacing State-owned impervious surface in floodplains.

To the Committee on Institutions.

S. 261.

By Senators Campion, Lyons and Sears,

An act relating to liability for the release of perfluoroalkyl and polyfluoroalkyl substances.

To the Committee on Judiciary.

S. 262.

By Senator Campion,

An act relating to the intentional release of balloons.

To the Committee on Judiciary.

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. Branagan and others,

By Senators Brock and Norris,

H.C.R. 132.

House concurrent resolution congratulating the 2023 Georgia Elementary and Middle School Chargers seventh- and eighth-grade girls' softball team on its exciting, undefeated season.

By Reps. Masland and Holcombe,

By Senators MacDonald, Clarkson, McCormack and White,

H.C.R. 133.

House concurrent resolution congratulating the 2023 Thetford Academy Panthers' Division III baseball championship team.

By Reps. Dolan and Houghton,

H.C.R. 134.

House concurrent resolution in memory of youth mental health care leader Margaret Atkins Reilly Gannaway.

By Reps. Morgan and others,

By Senator Wrenner,

H.C.R. 135.

House concurrent resolution congratulating the 2023 Milton High School Division II Yellowjackets on winning the school's 17th girls' soccer state championship.

Message from the House No. 5

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 House has passed House bills of the following titles:

H. 27. An act relating to coercive controlling behavior and abuse prevention orders.

H. 72. An act relating to a harm-reduction criminal justice response to drug use.

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

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

H.C.R. 132. House concurrent resolution congratulating the 2023 Georgia Elementary and Middle School Chargers seventh- and eighth-grade girls' softball team on its exciting, undefeated season.

H.C.R. 133. House concurrent resolution congratulating the 2023 Thetford Academy Panthers' Division III baseball championship team.

H.C.R. 134. House concurrent resolution in memory of youth mental health care leader Margaret Atkins Reilly Gannaway.

H.C.R. 135. House concurrent resolution congratulating the 2023 Milton High School Division II Yellowjackets on winning the school's 17th girls' soccer state championship.

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

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, January 16, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 36.

TUESDAY, JANUARY 16, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Tom Harty of Bethel.

Pledge of Allegiance

The President then led the members of the Senate in the pledge of allegiance.

Bill Referred to Committee on Appropriations**S. 160.**

Senate 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 State education property taxes and flood-related damage.

Joint Senate Resolution Adopted on the Part of the Senate**J.R.S. 37.**

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. 37. Joint resolution relating to weekend adjournment on January 19, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, January 19, 2024, it be to meet again no later than Tuesday, January 23, 2024.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 263.

By Senators Harrison, Brock, Clarkson, Gulick, Hashim, Lyons, Perchlik, Vyhovsky and Wrenner,

An act relating to expanding Vermont's health care workforce through graduates of international medical schools.

To the Committee on Health and Welfare.

S. 264.

By Senators Weeks, Champion, Gulick, Hashim, Ingalls, Norris, Williams and Wrenner,

An act relating to special plates for motor vehicles for veterans and members of the U.S. Armed Forces.

To the Committee on Transportation.

S. 265.

By Senators Harrison, Hashim, McCormack and Wrenner,
An act relating to the disposal of development soils.
To the Committee on Natural Resources and Energy.

S. 266.

By Senators Weeks, Collamore and Williams,
An act relating to General Assembly communication funds.
To the Committee on Government Operations.

S. 267.

By Senator Bray,
An act relating to retroactively reinstating 10 V.S.A. § 6081(b).
To the Committee on Natural Resources and Energy.

S. 268.

By Senators Ram Hinsdale, Clarkson, Hardy, Harrison, Watson, White and Wrenner,
An act relating to establishing a baby bond trust program.
To the Committee on Government Operations.

Bills Referred

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

H. 27.

An act relating to coercive controlling behavior and abuse prevention orders.
To the Committee on Judiciary.

H. 72.

An act relating to a harm-reduction criminal justice response to drug use.
To the Committee on Health and Welfare.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, January 17, 2024.

WEDNESDAY, JANUARY 17, 2024

In the absence of the President (who was Acting Governor in the absence of the Governor) the Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 269.

By Senators Clarkson, Harrison, Perchlik, Ram Hinsdale, Watson and Wrenner,

An act relating to enhancing consumer privacy.

To the Committee on Economic Development, Housing and General Affairs.

S. 270.

By Senators Vyhovsky and Hashim,

An act relating to judicial nominations and confirmations.

To the Committee on Judiciary.

S. 271.

By Senators Vyhovsky, Gulick, Hardy, Perchlik, Watson and White,

An act relating to a right to charge electric vehicles at home.

To the Committee on Economic Development, Housing and General Affairs.

S. 272.

By Senator Gulick,

An act relating to the regulation of second-generation anticoagulant rodenticides.

To the Committee on Agriculture.

S. 273.

By Senator White,

An act relating to the collection and recycling of waste motor vehicle tires.

To the Committee on Natural Resources and Energy.

S. 274.

By Senator White,

An act relating to the sale of flushable wipes.

To the Committee on Natural Resources and Energy.

S. 275.

By Senators Harrison, Clarkson and Perchlik,

An act relating to municipal ordinances governing unoccupied commercial buildings.

To the Committee on Government Operations.

S. 276.

By Senators Williams and Starr,

An act relating to crimes against an unborn child.

To the Committee on Judiciary.

S. 277.

By Senator Vyhovsky,

An act relating to prostitution.

To the Committee on Judiciary.

S. 278.

By Senators Vyhovsky, Sears, Clarkson, Gulick, Hardy, Perchlik, Watson, White and Wrenner,

An act relating to contributory negligence in a civil action involving sexual assault.

To the Committee on Judiciary.

S. 279.

By Senators Gulick, Bray, Hardy, Lyons, Mazza, McCormack, Perchlik, Starr, Vyhovsky, Weeks, White and Wrenner,

An act relating to the prohibition of motor vehicle window tint.

To the Committee on Transportation.

S. 280.

By Senators Lyons and Gulick,

An act relating to cardiac emergency response plans in schools.

To the Committee on Education.

S. 281.

By Senator Campion,

An act relating to educator preparation and evidence-based literacy instruction.

To the Committee on Education.

S. 282.

By Senator Clarkson,

An act relating to the Education Equity Team Pilot Project and Report.

To the Committee on Education.

S. 283.

By Senators Wrenner, Collamore, Harrison, Ingalls, Kitchel, Perchlik, Starr, Weeks and Williams,

An act relating to the decision to commingle Australian ballots in unified union school district voting.

To the Committee on Government Operations.

S. 284.

By Senators Williams, Perchlik, Collamore and Weeks,

An act relating to the use of electronic devices and digital and online products in schools.

To the Committee on Education.

S. 285.

By Senator Sears,

An act relating to law enforcement interrogation policies.

To the Committee on Judiciary.

S. 286.

By Senator Starr,

An act relating to the regulation of accessory on-farm businesses.

To the Committee on Natural Resources and Energy.

S. 287.

By Senators Brock, Norris and Collamore,
An act relating to bail and violations of conditions of release.
To the Committee on Judiciary.

S. 288.

By Senators Brock, Clarkson, Collamore, Cummings and Weeks,
An act relating to unemployment insurance fraud.
To the Committee on Economic Development, Housing and General
Affairs.

S. 289.

By Senators Ram Hinsdale, Clarkson, Cummings, Hardy, Harrison,
Perchlik, Watson and Wrenner,
An act relating to age-appropriate design code.
To the Committee on Economic Development, Housing and General
Affairs.

S. 290.

By Senator Perchlik,
An act relating to the Study Committee on Dam Emergency Action
Planning.
To the Committee on Natural Resources and Energy.

S. 291.

By Senator Perchlik,
An act relating to land improvement fraud and timber trespass.
To the Committee on Judiciary.

S. 292.

By Senator Watson,
An act relating to animal welfare.
To the Committee on Government Operations.

S. 293.

By Senator Brock,
An act relating to expanding access to catastrophic health plans.
To the Committee on Health and Welfare.

S. 294.

By Senator Brock,

An act relating to minimum timeframes to act on applications related to the development of housing.

To the Committee on Natural Resources and Energy.

S. 295.

By Senator MacDonald,

An act relating to the regulation of binary explosives and other related compounds.

To the Committee on Judiciary.

S. 296.

By Senators Brock, Collamore, Ingalls, Norris, Weeks, Westman and Williams,

An act relating to jurisdiction in juvenile proceedings.

To the Committee on Judiciary.

S. 297.

By Senators Brock, Collamore, Norris and Weeks,

An act relating to the aggregate value of stolen property in certain crimes.

To the Committee on Judiciary.

Adjournment

On motion of Senator Clarkson, the Senate adjourned until one o'clock in the afternoon on Thursday, January 18, 2024.

THURSDAY, JANUARY 18, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Dan Haugh of Stowe.

Message from the House No. 6

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 House has passed a House bill of the following title:

H. 516. An act relating to approval of amendments to the charter of the City of Essex Junction.

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. 141. An act relating to approval of the charter of Fairfax Fire District No. 1.

And has passed the same in concurrence.

The Clerk has appointed Courtney Reckord of Williamstown as Second Assistant Clerk.

Committee Relieved of Further Consideration; Bill Committed

S. 240.

On motion of Senator Cummings, the Committee on Finance was relieved of further consideration of Senate bill entitled:

An act relating to expanding access to Medicaid and Dr. Dynasaur,
and the bill was committed to the Committee on Health and Welfare.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 298.

By Senators Brock, Norris and Collamore,

An act relating to increasing penalties for drug-related offenses.

To the Committee on Judiciary.

S. 299.

By Senators Brock, Norris, Collamore, Ingalls, Weeks, Westman and Williams,

An act relating to a single process for sealing criminal history records.

To the Committee on Judiciary.

S. 300.

By Senators Vyhovsky, Bray, Clarkson, Gulick, Hashim, MacDonald, McCormack, Perchlik, Ram Hinsdale, Watson, White and Wrenner,

An act relating to funding support services for persons who use drugs and eliminating misdemeanor criminal penalties for possessing or dispensing a personal use drug supply.

To the Committee on Judiciary.

Bill Referred

House bill of the following title was read the first time and referred:

H. 516.

An act relating to approval of amendments to the charter of the City of Essex Junction.

To the Committee on Government Operations.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, JANUARY 19, 2024

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. 7

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 560. An act relating to making technical corrections to workers' compensation rulemaking requirements.

In the passage 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. 37. Joint resolution relating to weekend adjournment on January 19, 2024.

And has adopted the same in concurrence.

**Rules Suspended; Third Reading Ordered; Rules Suspended; Bill Passed;
Rules Suspended; Bill Messaged**

S. 160.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to State education property taxes and flood-related damage.

Was taken up for immediate consideration.

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported the bill ought to pass.

Senator Perchlik, 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.

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was placed on all remaining stages of its passage.

Thereupon, the bill was read the third time and passed.

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

Joint Senate Resolution Placed on Calendar

J.R.S. 38.

Joint Senate resolution of the following title was offered, read the first time and is as follows:

By Senator Baruth,

J.R.S. 38. Joint resolution providing for a Joint Assembly for the election of an Adjutant and Inspector General, and two legislative Trustees of the Vermont State Colleges Corporation.

Resolved by the Senate and House of Representatives:

That the two Houses meet in Joint Assembly on Thursday, February 15, 2024 at ten o'clock and thirty minutes in the forenoon to elect an Adjutant and Inspector General to serve a two-year term commencing on March 1, 2024 and expiring on March 1, 2026, and two legislative Trustees of the Vermont State

Colleges Corporation to serve four-year terms commencing on March 1, 2024 and expiring on March 1, 2028. In case such election shall not be made on that day, the two Houses shall meet in Joint Assembly at ten o'clock and thirty minutes in the forenoon, on each succeeding day, Saturdays and Sundays excepted, and proceed in such election, until said vacancy is filled.

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was placed on the Calendar for action the next legislative day.

Joint Senate Resolution Placed on Calendar

J.R.S. 39.

Joint Senate resolution of the following title was offered, read the first time and is as follows:

By Senator Baruth,

J.R.S. 39. Joint resolution establishing a procedure for the conduct of the election of two legislative trustees of the Vermont State Colleges Corporation by plurality vote by the General Assembly in 2024.

Whereas, in recent years it has become increasingly necessary to shorten the length of time spent by the General Assembly in joint session for the election of various officials, and

Whereas, if elections for multiple vacancies were to be decided by a plurality vote, then a great savings of time can be effectuated, *now therefore be it*

Resolved by the Senate and House of Representatives:

That, notwithstanding the current provisions of Joint Rule 10, and for this election only, the election of two legislative trustees of the Vermont State Colleges Corporation at a Joint Assembly to be held on February 15, 2024, shall be governed by the following procedure:

(1) All candidates for the office of Trustee shall be voted upon and decided on the same ballot; members may vote for any number of candidates up to and including the maximum number of vacancies to be filled, which in this case shall be two.

(2) The two candidates receiving the largest number of votes shall be declared elected to fill the two vacancies.

(3) In the event that the first balloting for the Trustee vacancies results in a tie vote for a vacant position, then voting shall continue on successive ballots for the unfilled position until the vacancy has been filled by election declared of the candidate receiving the larger number of votes.

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was placed on the Calendar for action the next legislative day.

Bill Referred

House bill of the following title was read the first time and referred:

H. 560.

An act relating to making technical corrections to workers' compensation rulemaking requirements.

To the Committee on Economic Development, Housing and General Affairs.

Message from the House No. 8

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 599. An act relating to retroactively reinstating 10 V.S.A. § 6081(b).

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

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

H.C.R. 136. House concurrent resolution recognizing February 2024 as School Board Recognition Month in Vermont.

H.C.R. 137. House concurrent resolution congratulating the 2023 Georgia Elementary and Middle School Chargers seventh- and eighth-grade girls' soccer team on completing an outstanding, undefeated season.

H.C.R. 138. House concurrent resolution commemorating the centennial of the Vermont State Parks.

H.C.R. 139. House concurrent resolution commemorating the bicentennial of Mt. Anthony Masonic Lodge No. 13.

H.C.R. 140. House concurrent resolution in memory of former Representative John C. Candon of Norwich.

H.C.R. 141. House concurrent resolution honoring Director of Elections and Campaign Finance Will Senning for his superb public service.

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

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. Sibilila and others,

H.C.R. 136.

House concurrent resolution recognizing February 2024 as School Board Recognition Month in Vermont.

By Reps. Branagan and others,

By Senators Brock and Norris,

H.C.R. 137.

House concurrent resolution congratulating the 2023 Georgia Elementary and Middle School Chargers seventh- and eighth-grade girls' soccer team on completing an outstanding, undefeated season.

By Reps. Roberts and others,

By Senators Brock and Norris,

H.C.R. 138.

House concurrent resolution commemorating the centennial of the Vermont State Parks.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 139.

House concurrent resolution commemorating the bicentennial of Mt. Anthony Masonic Lodge No. 13.

By Reps. Holcombe and Masland,

By Senators Clarkson, McCormack and White,

H.C.R. 140.

House concurrent resolution in memory of former Representative John C. Candon of Norwich.

By the House Committee on Government Operations and Military Affairs,

By the Senate Committee on Government Operations,

H.C.R. 141.

House concurrent resolution honoring Director of Elections and Campaign Finance Will Senning for his superb public service.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, January 23, 2024, at ten o'clock in the forenoon pursuant to J.R.S. 37.

TUESDAY, JANUARY 23, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Mark Wilson of Waitsfield.

Pledge of Allegiance

The President then led the members of the Senate in the pledge of allegiance.

Joint Senate Resolution Adopted on the Part of the Senate**J.R.S. 40.**

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. 40. Joint resolution relating to weekend adjournment on January 26, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, January 26, 2024, it be to meet again no later than Tuesday, January 30, 2024.

Joint Senate Resolution Referred**J.R.S. 41.**

Joint Senate resolution of the following title was offered, read the first time and is as follows:

By Senators Cummings, Perchlik, and Watson,

J.R.S. 41. Joint resolution requesting that the U.S. Postal Service reestablish, as rapidly as possible, a full-service U.S. Post Office in downtown Montpelier.

Whereas, as the Vermont State capital, the seat of Washington County, and an important commercial hub in central Vermont, the City of Montpelier's daily U.S. Mail service is extremely important, and

Whereas, the municipality of Montpelier has hosted a U.S. Post Office since 1798, and the historic State Street location dates from 1891, and

Whereas, on July 10 and 11, 2023, Montpelier experienced a devastating flood, and one of the most unfortunate consequences was the immediate closure of the U.S. Post Office, leaving the municipality bereft of this essential public service, and

Whereas, initial plans for a limited U.S. postal facility proved unworkable, and eventually, trucks, primarily offering a pickup point for postal box renters, were stationed in a parking lot on River Street, a site far from downtown Montpelier that is not easily accessible to public transit customers or pedestrians, and

Whereas, because these trucks had neither heat nor electricity, this temporary, and wholly inadequate, arrangement ended on Friday, November 17, 2023, and

Whereas, on Monday, January 8, 2024, a rally was conducted in front of the shuttered Montpelier U.S. Post Office that featured remarks from U.S. Senator Peter Welch, U.S. Representative Becca Balint, and a senior member of U.S. Senator Bernie Sanders's staff, each of whom implored U.S. Postmaster General Louis DeJoy to remediate, immediately, this untenable situation, and

Whereas, the lack of a full-service U.S. Post Office in downtown Montpelier is extremely inconvenient for the citizens, businesses, and governmental offices located in the State's capital city, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly requests that the U.S. Postal Service reestablish, as rapidly as possible, a full-service U.S. Post Office in downtown Montpelier, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to President Joseph R. Biden, U.S. Postmaster General Louis DeJoy, and the members of the Vermont Congressional Delegation.

Thereupon, the President, in his discretion, treated the joint resolution as a bill and referred it to the Committee on Government Operations.

Bill Referred

House bill of the following title was read the first time and referred:

H. 599.

An act relating to retroactively reinstating 10 V.S.A. § 6081(b).

To the Committee on Natural Resources and Energy.

Governor's Veto Sustained

House Bill entitled:

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

Was taken up.

Thereupon, the question, Shall the bill pass, notwithstanding the refusal of the Governor to approve the bill?, was decided in the negative on a roll call required by the Vermont Constitution, Yeas 17, Nays 13. (the necessary *override* two-thirds vote *not* having been attained).

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Champion, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Vyhovsky, Watson, White.

Those Senators who voted in the negative were: Brock, Chittenden, Collamore, Ingalls, Kitchel, Mazza, Norris, Sears, Starr, Weeks, Westman, Williams, Wrenner.

Joint Resolutions Adopted on the Part of the Senate

Joint Senate resolutions entitled:

J.R.S. 38. Joint resolution providing for a Joint Assembly for the election of an Adjutant and Inspector General, and two legislative Trustees of the Vermont State Colleges Corporation.

J.R.S. 39. Joint resolution establishing a procedure for the conduct of the election of two legislative trustees of the Vermont State Colleges Corporation by plurality vote by the General Assembly in 2024.

Having been placed on the Calendar for action, were taken up and severally adopted on the part of the Senate.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, January 24, 2024.

WEDNESDAY, JANUARY 24, 2024

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Committee Relieved of Further Consideration; Bill Committed**S. 257.**

On motion of Senator Perchlik, the Committee on Transportation was relieved of further consideration of Senate bill entitled:

An act relating to secondary enforcement of certain motor vehicle violations,

and the bill was committed to the Committee on Judiciary.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, January 25, 2024.

THURSDAY, JANUARY 25, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Ken Clarke of Bennington.

**Message from the Governor
Appointments Referred**

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointments, which were referred to committees as indicated:

Ciappenelli, Rob of Warren - Member of the Board of Medical Practice - from January 1, 2024 to February 29, 2028.

To the Committee on Health and Welfare.

Coddaire, David of Morrisville - Member of the Board of Medical Practice - from January 1, 2024 to February 29, 2028.

To the Committee on Health and Welfare.

Eyler, Evan of Montpelier - Member of the Board of Medical Practice - from January 1, 2024 to February 29, 2028.

To the Committee on Health and Welfare.

Hildebrant, Rick A. of Clarendon - Member of the Board of Medical Practice - from January 1, 2024 to February 29, 2028.

To the Committee on Health and Welfare.

Philibert, Dawn of Williston - Member of the Board of Medical Practice - from January 1, 2024 to February 29, 2028.

To the Committee on Health and Welfare.

Scott, Judith of St. George - Member of the Board of Medical Practice - from January 1, 2024 to February 29, 2028.

To the Committee on Health and Welfare.

Tandoh, Margaret of South Burlington - Member of the Board of Medical Practice - from January 1, 2024 to February 29, 2028.

To the Committee on Health and Welfare.

Tortolani, Robert E. of Brattleboro - Member of the Board of Medical Practice - from January 1, 2024 to February 29, 2028.

To the Committee on Health and Welfare.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, JANUARY 26, 2024

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Committee Bill Introduced

Senate committee bill of the following title was introduced, read the first time, and, under the rule, placed on the Calendar for notice the next legislative day:

S. 301.

By the Committee on Agriculture,

An act relating to miscellaneous agricultural subjects.

Bill Amended; Third Reading Ordered**S. 154.**

Senator Perchlik, for the Committee on Transportation, to which was referred Senate bill entitled:

An act relating to the Vermont State Plane Coordinate System.

Reported recommending that the bill be amended in Sec. 1, 1 V.S.A. chapter 17, by striking out section 679 in its entirety and inserting in lieu thereof a new section 679 to read as follows:

§ 679. TRANSITION

The Vermont Coordinate System 1927 shall not be used for projects commenced after January 1, 2000; and the Vermont Coordinate System 1983 will be the sole system for projects commenced after this date shall not be used for projects commenced after release of the State Plane Coordinate System 2022 by the National Geodetic Survey.

And that when so amended the bill ought to pass.

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

Bill Committed

Pending entry on the Calendar for notice, on motion of Senator Starr, Senate Committee bill entitled:

S. 301. An act relating to miscellaneous agricultural subjects.

Was committed to the Committee on Agriculture.

Message from the House No. 9

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 518. An act relating to the approval of amendments to the charter of the Town of Essex.

H. 554. An act relating to approval of the adoption of the charter of the Town of South Hero.

H. 659. An act relating to captive insurance.

In the passage 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. 40. Joint resolution relating to weekend adjournment on January 26, 2024.

And has adopted the same in concurrence.

Senate Concurrent Resolutions

The following joint concurrent resolutions, having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted on the part of the Senate:

By Senators Cummings, Perchlik and Watson,

By Reps. Anthony and others,

S.C.R. 8.

Senate concurrent resolution honoring those who assumed summer 2023 flood recovery leadership roles in Montpelier and Barre City.

By Senators Cummings, Perchlik and Watson,

By Reps. Casey and McCann,

S.C.R. 9.

Senate concurrent resolution commemorating the 175th anniversary of the chartering of the National Life Insurance Company.

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Rep. Patt,

By Senator Ram Hinsdale,

H.C.R. 142.

House concurrent resolution recognizing January 27, 2024 as International Holocaust Remembrance Day in Vermont.

By Reps. Cina and others,

H.C.R. 143.

House concurrent resolution designating January 31, 2024 as Mental Health Advocacy Day at the State House.

Adjournment

Senator Baruth moved that the Senate adjourn, to reconvene on Tuesday, January 30, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 40.

Which was agreed to on a division of the Senate, Yeas 25, Nays 3.

TUESDAY, JANUARY 30, 2024

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. 10

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 38. Joint resolution providing for a Joint Assembly for the election of an Adjutant and Inspector General, and two legislative Trustees of the Vermont State Colleges Corporation.

J.R.S. 39. Joint resolution establishing a procedure for the conduct of the election of two legislative trustees of the Vermont State Colleges Corporation by plurality vote by the General Assembly in 2024.

And has adopted the same in concurrence.

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

H.C.R. 142. House concurrent resolution recognizing January 27, 2024 as International Holocaust Remembrance Day in Vermont.

H.C.R. 143. House concurrent resolution designating January 31, 2024 as Mental Health Advocacy Day at the State House.

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. 8. Senate concurrent resolution honoring those who assumed summer 2023 flood recovery leadership roles in Montpelier and Barre City.

S.C.R. 9. Senate concurrent resolution commemorating the 175th anniversary of the chartering of the National Life Insurance Company.

And has adopted the same in concurrence.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 42.

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. 42. Joint resolution relating to weekend adjournment on February 2, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, February 2, 2024, it be to meet again no later than Tuesday, February 6, 2024.

Bill Introduced

Senate bill of the following title was introduced, read the first time and referred:

S. 302.

By Senators Brock, Collamore, Gulick and Hardy,

An act relating to public health outreach programs regarding dementia risk.

To the Committee on Health and Welfare.

Committee Bills Introduced

Senate committee bills of the following titles were severally introduced, read the first time, and, under the rule, placed on the Calendar for notice the next legislative day:

S. 303.

By the Committee on Education,
An act relating to supporting Vermont's young readers.

S. 304.

By the Committee on Education,
An act relating to Vermont's career and technical education programs.

Bills Referred

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

H. 518.

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

To the Committee on Government Operations.

H. 554.

An act relating to approval of the adoption of the charter of the Town of South Hero.

To the Committee on Government Operations.

H. 659.

An act relating to captive insurance.

To the Committee on Finance.

Bill Passed**S. 154.**

Senate bill of the following title was read the third time and passed:

An act relating to the Vermont State Plane Coordinate System.

Bills Committed

Pending entry on the Calendar for notice, on motion of Senator Champion Senate bills entitled:

S. 303. An act relating to supporting Vermont's young readers.

S. 304. An act relating to Vermont's career and technical education programs.

Were severally committed to the Committee on Education.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, January 31, 2024.

WEDNESDAY, JANUARY 31, 2024

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. 11

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 603. An act relating to the poultry slaughter exception to inspection.

H. 839. An act related to fiscal year 2024 budget adjustments.

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

The House has adopted joint resolution of the following title:

J.R.H. 9. Joint resolution authorizing the Green Mountain Boys State educational program to use the State House facilities on June 27, 2024.

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

**Rules Suspended; Proposal of Amendment to the Vermont Constitution
Committed *intact***

Proposal of amendment entitled:

Prop 1. Elections; sheriffs; qualifications.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Government Operations, Senator Baruth moved that Senate Rule 49 be suspended and the proposal of amendment be committed to the Committee on Judiciary with the report of the Committee on Government Operations *intact*,

Which was agreed to.

**Message from the Governor
Appointment Referred**

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointment, which was referred to a committee as indicated:

The nomination of

McNamara, Edward M. of Montpelier - Chair of the Public Utility Commission - from January 29, 2024 to February 28, 2029.

To the Committee on Finance.

Joint Resolution Placed on Calendar

J.R.H. 9.

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

Joint resolution authorizing the Green Mountain Boys State educational program to use the State House facilities on June 27, 2024

Whereas, the American Legion Department of Vermont sponsors the Green Mountain Boys State educational program, providing a group of boys entering the 12th grade a special opportunity to study the workings of State government, including conducting a mock legislative session at the State House, and

Whereas, this special experience is a unique civic lesson of lasting value for the participants, now therefore be it

Resolved by the Senate and House of Representatives:

That subject to the determination of and limitations that the Sergeant at Arms may establish, the Green Mountain Boys State educational program is authorized to use the chambers and committee rooms of the State House on Thursday, June 27, 2024, from 8:00 a.m. to 4:15 p.m., and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the American Legion Department of Vermont.

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was placed on the Calendar for action the next legislative day.

Committee Bills Introduced

Senate committee bills of the following titles were severally introduced, read the first time, and, under the rule, placed on the Calendar for notice the next legislative day:

S. 305.

By the Committee on Natural Resources and Energy,
An act relating to miscellaneous changes related to the Public Utility Commission.

S. 306.

By the Committee on Natural Resources and Energy,
An act relating to changes to the Clean Heat Standard.

S. 307.

By the Committee on Natural Resources and Energy,
An act relating to use of administrative use controls at contaminated sites.

S. 308.

By the Committee on Natural Resources and Energy,
An act relating to updates to land use planning.

Bills Referred

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

H. 603.

An act relating to the poultry slaughter exception to inspection.
To the Committee on Agriculture.

H. 839.

An act related to fiscal year 2024 budget adjustments.
To the Committee on Appropriations.

Bill Amended; Third Reading Ordered**S. 190.**

Senator Norris, for the Committee on Judiciary, to which was referred Senate bill entitled:

An act relating to statements made by a child victim of an offense involving serious bodily injury.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. Rule 15(e) of the Vermont Rules of Criminal Procedure is amended to read:

(e) Limitations.

* * *

(5) Depositions of Minors in Sexual Assault Cases Involving Sexual Assault or Serious Bodily Injury.

(A) No deposition of a victim under the age of 16 shall be taken in a prosecution under 13 V.S.A. §§ 2601 (lewd and lascivious conduct), 2602 (lewd and lascivious conduct with a child), 3252 (sexual assault), 3253 (aggravated sexual assault), or 3253a (aggravated sexual assault of a child), or 13 V.S.A. § 1304(b) (cruelty to a child involving serious bodily injury) except by agreement of the parties or after approval of the court pursuant to subparagraph (B) of this paragraph (5).

(B) The court shall not approve a deposition under this subdivision unless the court finds that the testimony of the child is necessary to assist the trial, that the evidence sought is not reasonably available by any other means, and that the probative value of the testimony outweighs the potential detriment to the child of being deposed. In determining whether to approve a deposition under this subdivision, the court shall consider the availability of recorded statements of the victim and the complexity of the issues involved.

(C)(i) If a deposition is taken pursuant to this paragraph (5), the court shall issue a protective order to protect the deponent from emotional harm, unnecessary annoyance, embarrassment, oppression, invasion of privacy, or undue burden of expense or waste of time. The protective order may include, among other remedies, the following: (I) that the deposition may be taken only on specified terms and conditions, including a designation of the time, place, and manner of taking the deposition; (II) that the deposition may be taken only by written questions; (III) that certain matters not be inquired into, or that the scope of the deposition be limited to certain matters; (IV) that the deposition be conducted with only such persons present as the court may designate; or (V) that after the deposition has been taken, the tape or transcription be sealed until further order of the court. The restrictions of 13 V.S.A. § 3255(a) shall apply to depositions taken pursuant to this paragraph (5).

(ii) If a deposition is taken pursuant to this paragraph (5), the court shall appoint an attorney to represent the child for the purposes of the deposition.

Sec. 2. Rule 804a of the Vermont Rules of Evidence is amended to read:

RULE 804a. HEARSAY EXCEPTION; PUTATIVE VICTIM AGE 12 OR UNDER; PERSON WITH A MENTAL ILLNESS OR AN INTELLECTUAL OR DEVELOPMENTAL DISABILITY

(a) Statements by a person who is a child 12 years of age or under or who is a person with a mental illness as defined in 18 V.S.A. § 7101(14) or intellectual or developmental disability as defined in 1 V.S.A. §§ 146, 148 at the time the statements were made are not excluded by the hearsay rule if the court specifically finds at the time they are offered that:

(1) the statements are offered in a civil, criminal, or administrative proceeding in which the child or person with a mental illness or intellectual or developmental disability is a putative victim of sexual assault under 13 V.S.A. § 3252, aggravated sexual assault under 13 V.S.A. § 3253, aggravated sexual assault of a child under 13 V.S.A. § 3253a, lewd or lascivious conduct under 13 V.S.A. § 2601, lewd or lascivious conduct with a child under 13 V.S.A. § 2602, incest under 13 V.S.A. § 205, abuse, neglect, or exploitation under 33 V.S.A. § 6913, sexual abuse of a vulnerable adult under 13 V.S.A. § 1379, or 13 V.S.A. § 1304(b) (cruelty to a child involving serious bodily injury) or wrongful sexual activity and the statements concern the alleged crime or the wrongful sexual activity; or the statements are offered in a juvenile proceeding under chapter 52 of Title 33 involving a delinquent act alleged to have been committed against a child 13 years of age or under or a person with a mental illness or intellectual or developmental disability if the delinquent act would be an offense listed herein if committed by an adult and the statements concern the alleged delinquent act; or the child is the subject of a petition alleging that the child is in need of care or supervision under chapter 53 of Title 33, and the statement relates to the sexual abuse of the child;

(2) the statements were not taken in preparation for a legal proceeding and, if a criminal or delinquency proceeding has been initiated, the statements were made prior to the defendant's initial appearance before a judicial officer under Rule 5 of the Vermont Rules of Criminal Procedure;

(3) the child or person with a mental illness or intellectual or developmental disability is available to testify in court or under Rule 807; and

(4) the time, content, and circumstances of the statements provide substantial indicia of trustworthiness.

(b) Upon motion of either party in a criminal or delinquency proceeding, the court shall require the child or person with a mental illness or intellectual or developmental disability to testify for the state.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Judiciary?, Senator Vyhovsky moved to amend the recommendation of amendment of the Committee on Judiciary by adding a Sec. 2a to read as follows:

Sec. 2a. 24 V.S.A. § 1940 is amended to read:

§ 1940. SPECIAL INVESTIGATIVE UNITS; BOARDS; GRANTS

(a) Pursuant to the authority established under section 1938 of this title, and in collaboration with law enforcement agencies, investigative agencies, victims' advocates, and social service providers, the Department of State's Attorneys and Sheriffs shall coordinate efforts to provide access in each region of the State to special investigative units ~~which~~ that:

(1) shall investigate:

(A) an incident in which a child suffers, by other than accidental means, serious bodily injury as defined in 13 V.S.A. § 1021; and

(B) potential violations of:

(i) 13 V.S.A. § 2602 (lewd or lascivious conduct with child);

(ii) 13 V.S.A. chapter 60 (human trafficking);

(iii) 13 V.S.A. chapter 64 (sexual exploitation of children);

(iv) 13 V.S.A. chapter 72 (sexual assault); and

(v) 13 V.S.A. § 1379 (sexual abuse of a vulnerable adult); and

(2) may investigate:

(A) an incident in which a child suffers:

(i) bodily injury, by other than accidental means, as defined in 13 V.S.A. § 1021; or

(ii) death;

(B) potential violations of:

(i) 13 V.S.A. § 2601 (lewd and lascivious conduct);

(ii) 13 V.S.A. § 2605 (voyeurism); and

(iii) 13 V.S.A. § 1304 (cruelty to a child); and

(3) may assist with the investigation of other incidents, including incidents involving domestic violence and crimes against vulnerable adults.

(b) Any interview of a child pursuant to this section shall be electronically recorded. As used in this subsection, “electronically recorded” means an audio and visual recording that is an authentic, accurate, unaltered record of the interview.

(c) A special investigative unit organized and operating under this section may accept, receive, and disburse in furtherance of its duties and functions any funds, grants, and services made available by the State of Vermont and its agencies, the federal government and its agencies, any municipality or other unit of local government, or private or civic sources. Any employee covered by an agreement establishing a special investigative unit shall remain an employee of the donor agency.

~~(e)~~(d) A Special Investigative Unit Grants Board is created, which shall comprise the Attorney General, the Secretary of Administration, the Executive Director of State’s Attorneys and Sheriffs, the Commissioner of Public Safety, the Commissioner for Children and Families, a representative of the Vermont Sheriffs’ Association, a representative of the Vermont Association of Chiefs of Police, the Executive Director of the Center for Crime Victim Services, and the Executive Director of the Vermont League of Cities and Towns. Special investigative units organized and operating under this section may apply to the Board for a grant or grants covering the costs of salaries and employee benefits to be expended during a given year for the performance of unit duties as well as unit operating costs for rent, utilities, equipment, training, and supplies. Grants under this section shall be approved by a majority of the entire Board and shall not exceed 50 percent of the yearly salary and employee benefit costs of the unit. Preference shall be given to grant applications which include the participation of the Department of Public Safety, the Department for Children and Families, sheriffs’ departments, community victims’ advocacy organizations, and municipalities within the region. Preference shall also be given to grant applications which promote policies and practices that are consistent across the State, including policies and practices concerning the referral of complaints, the investigation of cases, and the supervision and management of special investigative units. However, a sheriff’s department in a county with a population of fewer than 8,000 residents shall upon application receive a grant of up to \$20,000.00 for 50 percent of the yearly salary and employee benefits costs of a part-time special investigative unit investigator, which shall be paid to the department as time is billed on a per hour rate as agreed by contract up to the maximum amount of the grant.

~~(d)~~(e) The Board may adopt rules relating to grant eligibility criteria, processes for applications, awards, and reports related to grants authorized pursuant to this section. The Attorney General shall be the adopting authority.

Which was agreed to.

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

Committee Relieved of Further Consideration; Bill Committed

S. 187.

On motion of Senator Perchlik, the Committee on Transportation was relieved of further consideration of Senate bill entitled:

An act relating to student application of sunscreen and car seat safety.

And the bill was committed to the Committee on Health and Welfare.

Bills Committed

Pending entry on the Calendar for notice, on motion of Senator Bray, Senate bills entitled:

S. 305. An act relating to miscellaneous changes related to the Public Utility Commission.

S. 306. An act relating to changes to the Clean Heat Standard.

S. 307. An act relating to use of administrative use controls at contaminated sites.

S. 308. An act relating to updates to land use planning.

Were severally committed to the Committee on Natural Resources and Energy.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, February 1, 2024.

THURSDAY, FEBRUARY 1, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Rachel Field of Northfield.

Message from the House No. 12

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 160. An act relating to State education property taxes and flood-related damage.

And has passed the same in concurrence.

Bill Passed

S. 190.

Senate bill of the following title was read the third time and passed:

An act relating to statements made by a child victim of an offense involving serious bodily injury.

Joint Resolution Adopted in Concurrence

J.R.H. 9.

Joint House resolution entitled:

Joint resolution authorizing the Green Mountain Boys State educational program to use the State House facilities on June 27, 2024.

Having been placed on the Calendar for action, was taken up and adopted 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:

The Governor has informed the Senate that on the 1st day of February, 2024, he approved and signed a bill originating in the Senate of the following title:

S. 141. An act relating to approval of the charter of Fairfax Fire District No. 1.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, FEBRUARY 2, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Rabbi Jan Salzman of Burlington.

Message from the House No. 13

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 363. An act relating to prohibiting discrimination based on certain hair types and styles.

In the passage 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. 42. Joint resolution relating to weekend adjournment on February 2, 2024.

And has adopted the same in concurrence.

Message from the House No. 14

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

Mr. President:

I am directed to inform the Senate that:

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

H.C.R. 144. House concurrent resolution designating February 8, 2024 as Farm to School and Farm to Early Childhood Awareness Day at the State House.

H.C.R. 145. House concurrent resolution congratulating the 2023 Harwood Union High School championship bass fishing team.

H.C.R. 146. House concurrent resolution congratulating the 2023 Harwood Union High School Division II boys' championship soccer team.

H.C.R. 147. House concurrent resolution honoring the organizations and individuals working to resolve Vermont's rural broadband access crisis through communications union districts.

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

Bill Referred

House bill of the following title was read the first time and referred:

H. 363.

An act relating to prohibiting discrimination based on certain hair types and styles.

To the Committee on Economic Development, Housing and General Affairs.

Bill Amended; Third Reading Ordered

S. 256.

Senator Chittenden, for the Committee on Transportation, to which was referred Senate bill entitled:

An act relating to Department of Motor Vehicles credentials and number plates with veteran designations.

Reported recommending that the bill be amended as follows:

First: That a new Sec. 1 be inserted before existing Sec. 1 to read as follows:

Sec. 1. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly for the State to properly honor veterans, which includes Vermonters who have served in the active military, naval, air, or space service, and who have been discharged or released from active service under conditions other than dishonorable, where active military, naval, air, or space service includes:

(1) active duty;

(2) any period of active duty for training during which the individual concerned was disabled or died from a disease or injury incurred or aggravated in line of duty; and

(3) any period of inactive duty training during which the individual concerned was disabled or died from an injury incurred or aggravated in line of duty or from an acute myocardial infarction, a cardiac arrest, or a cerebrovascular accident occurring during such training.

(b) It is also the intent of the General Assembly that the Department of Motor Vehicles and the Vermont Office of Veterans' Affairs:

(1) jointly determine which specialty plates should be offered to veterans so as to ensure specific recognition for those who have received a military award or decoration and those who have served in combat; and

(2) allow for a means for a veteran to request that a new specialty plate be designed and offered to veterans when an existing specialty plate does not provide for specific recognition of the veteran.

Second: By renumbering the remaining sections to be numerically correct.

Third: By striking out renumbered Sec. 4, 23 V.S.A. § 304, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. 23 V.S.A. § 304 is amended to read:

§ 304. REGISTRATION CERTIFICATES; NUMBER PLATES; VANITY
AND OTHER SPECIAL PLATES

* * *

(j) The Commissioner of Motor Vehicles shall, upon proper application, issue special plates to Vermont veterans, as defined in 38 U.S.C. § 101(2) and including an individual disabled during active military, naval, air, or space service, as defined in 38 U.S.C. § 101(24), and to members of the U.S. Armed Forces, as defined in 38 U.S.C. § 101(10), for use on vehicles registered at the pleasure car rate, on vehicles registered at the motorcycle rate, and on trucks registered for less than 26,001 pounds and excluding vehicles registered under the International Registration Plan. The type and style of the ~~plate~~ plates shall be determined by the Commissioner, ~~except that an American flag, or a veteran or military-related emblem selected by the Commissioner and the Vermont Office of Veterans' Affairs shall appear on one side of the plate. At a minimum, emblems shall be available to recognize recipients of the Purple Heart, Pearl Harbor survivors, former prisoners of war, and disabled veterans.~~ An applicant shall apply on a form prescribed by the Commissioner, and the applicant's eligibility as a member of one of the groups recognized will be certified by the Office of Veterans' Affairs. The plates shall be reissued only to the original holder of the plates or the surviving spouse. The Commissioner may adopt rules to implement the provisions of this subsection. Except for new or renewed registrations, applications for the issuance of plates under this subsection shall be processed in the order received by the Department subject to normal workflow considerations. The costs associated with developing new emblems shall be borne by the Department of Motor Vehicles.

* * *

And that when so amended the bill ought to pass.

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

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

Battles, Benjamin D. of Waterbury - Superior Court Judge - December 12, 2023 to March 31, 2026.

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, Champion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Ingalls, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, 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: Hashim, Mazza, Ram Hinsdale.

The nomination of

Malone, Rachel Marie of South Burlington - Superior Court Judge - December 12, 2023 to March 31, 2026.

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, Brock, Champion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, 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: Mazza.

The nomination of

Thibault, Rory Thomas of Cabot - Superior Court Judge - June 9, 2023 to March 31, 2029.

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, Brock, Champion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, 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: Mazza.

House Concurrent Resolutions

The following concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Rep. Surprenant,

H.C.R. 144.

House concurrent resolution designating February 8, 2024 as Farm to School and Farm to Early Childhood Awareness Day at the State House.

By Reps. Stevens and others,

H.C.R. 145.

House concurrent resolution congratulating the 2023 Harwood Union High School championship bass fishing team.

By Reps. Stevens and others,

H.C.R. 146.

House concurrent resolution congratulating the 2023 Harwood Union High School Division II boys' championship soccer team.

By Reps. Masland and others,

H.C.R. 147.

House concurrent resolution honoring the organizations and individuals working to resolve Vermont's rural broadband access crisis through communications union districts.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, February 6, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 42

TUESDAY, FEBRUARY 6, 2024

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.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 43.

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. 43. Joint resolution regarding weekend adjournment on February 9, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, February 9, 2024, it be to meet again no later than Tuesday, February 13, 2024.

Committee Bills Introduced

Senate committee bills of the following titles were severally introduced, read the first time, and, under the rule, placed on the Calendar for notice tomorrow:

S. 309.

By the Committee on Transportation,

An act relating to miscellaneous changes to laws related to the Department of Motor Vehicles, motor vehicles, and vessels.

S. 310.

By the Committee on Government Operations,

An act relating to natural disaster government response, recovery, and resiliency.

Bill Passed**S. 256.**

Senate bill of the following title was read the third time and passed:

An act relating to Department of Motor Vehicles credentials and number plates with veteran designations.

Bill Committed

Pending entry on the Calendar for notice, on motion of Senator Hardy, Senate bill entitled:

S. 310. An act relating to natural disaster government response, recovery, and resiliency.

Was committed to the Committee on Government Operations.

Bill Committed

Pending entry on the Calendar for notice, on motion of Senator Perchlik, Senate bill entitled:

S. 309. An act relating to miscellaneous changes to laws related to the Department of Motor Vehicles, motor vehicles, and vessels.

Was committed to the Committee on Transportation.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, February 7, 2024.

WEDNESDAY, FEBRUARY 7, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Rameen Zahed of East Montpelier.

Rules Suspended; Bill Not Referred to Committee Finance**H. 839**

Appearing on the Calendar for notice, and, pending referral of the bill to the Committee on Finance pursuant to Senate Rule 31, Senator Cummings moved that the rules be suspended and the Senate bill entitled:

An act related to fiscal year 2024 budget adjustments.

Not be referred to the Committee on Finance pursuant to Senate Rule 31 (and thereby remain on the Calendar for notice),

Which was agreed to.

Committee Relieved of Further Consideration; Bill Committed**S. 46.**

On motion of Senator Ram Hinsdale, the Committee on Economic Development, Housing and General Affairs was relieved of further consideration of Senate bill entitled:

An act relating to the Vermont Fair Repair Act.

And the bill was committed to the Committee on Agriculture.

Third Reading Ordered**H. 599.**

Senator Watson, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to retroactively reinstating 10 V.S.A. § 6081(b).

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.

Bill Amended; Third Reading Ordered**S. 180.**

Senator Chittenden, for the Committee on Finance, to which was referred Senate bill entitled:

An act relating to the investment of state funds in credit unions.

Reported recommending that the bill be amended by striking out Sec. 1 in its entirety and by inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 32 V.S.A. § 433(a)(2) is amended to read:

(2) certificates of deposit and other evidences of deposit at banks, community development credit unions as defined in 8 V.S.A. § 30101, and savings and loan associations approved by the Treasurer, and State certificates of deposit at banks, credit unions as defined in 8 V.S.A. 30101, and savings and loan associations approved by the Treasurer;

And that when so amended the bill ought to pass.

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

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 7th day of February, 2024, he approved and signed bill originating in the Senate of the following title:

S. 160. An act relating to State education property taxes and flood-related damage.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, February 8, 2024.

THURSDAY, FEBRUARY 8, 2024

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bill Referred to Committee on Appropriations

S. 109.

Senate 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 Medicaid coverage for doula services.

Senate Resolution Placed on Calendar**S.R. 15.**

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

By Senator Baruth,

S.R. 15. Senate resolution relating to adoption of a temporary Rule 44A.

Resolved by the Senate:

That a temporary rule, to be designated Rule 44A, be adopted by the Senate, to read as follows:

Rule 44A. (a) Any bills failing to make the crossover dates of March 15, 2024 and March 22, 2024 shall be referred to the Committee on Rules. This provision shall not apply to the following measures:

- (1) The transportation capital bill;
- (2) The capital construction bill;
- (3) The general appropriations bill (“The Big Bill”);
- (4) The pay bill;
- (5) The fee and miscellaneous tax bills.

(b) The Rules Committee may report any bills referred to it for reference to another committee of jurisdiction pursuant to Senate Rule 24 or to the Notice Calendar, as applicable.

(c) The Temporary Rule 44A shall expire when the Legislature adjourns sine die.

Thereupon, under Rule 34, the resolution was placed on the Calendar for notice.

Bill Passed**S. 180.**

Senate bill of the following title was read the third time and passed:

An act relating to the investment of State funds in credit unions.

Bill Passed in Concurrence**H. 599.**

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

An act relating to retroactively reinstating 10 V.S.A. § 6081(b).

Proposal of Amendment; Third Reading Ordered**H. 839.**

Senator Kitchel, for the Committee on Appropriations, to which was referred House bill entitled:

An act related to fiscal year 2024 budget adjustments.

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. 2023 Acts and Resolves No. 78, Sec. B.209 is amended to read:

Sec. B.209 Public safety - state police

Personal services	67,754,321	69,564,321
Operating expenses	13,861,460	13,861,460
Grants	<u>1,591,501</u>	<u>1,591,501</u>
Total	83,207,282	85,017,282
Source of funds		
General fund	53,896,213	55,706,213
Transportation fund	20,250,000	20,250,000
Special funds	3,166,387	3,166,387
Federal funds	4,311,304	4,311,304
Interdepartmental transfers	<u>1,583,378</u>	<u>1,583,378</u>
Total	83,207,282	85,017,282

Sec. 2. 2023 Acts and Resolves No. 78, Sec. B.216 is amended to read:

Sec. B.216 Military - air service contract

Personal services	9,124,240	9,224,240
Operating expenses	<u>1,396,315</u>	<u>1,396,315</u>
Total	10,520,555	10,620,555
Source of funds		
General fund	665,922	765,922
Federal funds	<u>9,854,633</u>	<u>9,854,633</u>
Total	10,520,555	10,620,555

Sec. 3. 2023 Acts and Resolves No. 78, Sec. B.240 is amended to read:

Sec. B.240 Cannabis Control Board

Personal services	4,829,061	4,917,181
Operating expenses	<u>341,631</u>	<u>764,181</u>
Total	5,170,692	5,681,362

Source of funds		
Special funds	<u>5,170,692</u>	<u>5,681,362</u>
Total	<u>5,170,692</u>	<u>5,681,362</u>

Sec. 4. 2023 Acts and Resolves No. 78, Sec. B.241 is amended to read:

Sec. B.241 Total protection to persons and property

Source of funds		
General fund	208,539,656	210,449,656
Transportation fund	20,250,000	20,250,000
Special funds	<u>109,230,607</u>	<u>109,741,277</u>
Tobacco fund	635,843	635,843
Federal funds	133,784,669	133,784,669
Interdepartmental transfers	13,729,981	13,729,981
Enterprise funds	<u>13,816,313</u>	<u>13,816,313</u>
Total	<u>499,987,069</u>	<u>502,407,739</u>

Sec. 5. 2023 Acts and Resolves No. 78, Sec. B.300 is amended to read:

Sec. B.300 Human services - agency of human services - secretary's office

Personal services	14,083,686	15,401,686
Operating expenses	5,402,086	5,402,086
Grants	<u>2,895,202</u>	<u>2,895,202</u>
Total	<u>22,380,974</u>	<u>23,698,974</u>
Source of funds		
General fund	9,767,874	10,226,874
Special funds	135,517	135,517
Federal funds	<u>11,678,441</u>	<u>12,537,441</u>
Interdepartmental transfers	<u>799,142</u>	<u>799,142</u>
Total	<u>22,380,974</u>	<u>23,698,974</u>

Sec. 6. 2023 Acts and Resolves No. 78, Sec. B.301 is amended to read:

Sec. B.301 Secretary's office - global commitment

Grants	<u>1,990,896,293</u>	<u>2,039,037,932</u>
Total	<u>1,990,896,293</u>	<u>2,039,037,932</u>
Source of funds		
General fund	<u>648,528,785</u>	<u>657,710,193</u>
Special funds	32,994,384	32,994,384
Tobacco fund	21,049,373	21,049,373
State health care resources fund	<u>25,265,312</u>	<u>25,438,836</u>
Federal funds	<u>1,259,024,269</u>	<u>1,298,107,936</u>
Interdepartmental transfers	<u>4,034,170</u>	<u>3,737,210</u>
Total	<u>1,990,896,293</u>	<u>2,039,037,932</u>

Sec. 7. 2023 Acts and Resolves No. 78, Sec. B.306 is amended to read:

Sec. B.306 Department of Vermont health access - administration

Personal services	136,568,959	127,889,514
Operating expenses	44,391,640	44,391,640
Grants	<u>2,912,301</u>	<u>2,912,301</u>
Total	183,872,900	175,193,455
Source of funds		
General fund	35,605,917	39,109,628
Special funds	4,753,011	4,753,011
Federal funds	134,621,243	122,016,027
Global Commitment fund	4,220,337	4,220,337
Interdepartmental transfers	<u>4,672,392</u>	<u>5,094,452</u>
Total	183,872,900	175,193,455

Sec. 8. 2023 Acts and Resolves No. 78, Sec. B.307 is amended to read:

Sec. B.307 Department of Vermont health access - Medicaid program - global commitment

Personal services	547,983	547,983
Grants	<u>932,542,238</u>	<u>936,811,294</u>
Total	933,090,221	937,359,277
Source of funds		
Global Commitment fund	<u>933,090,221</u>	<u>937,359,277</u>
Total	933,090,221	937,359,277

Sec. 9. 2023 Acts and Resolves No. 78, Sec. B.309 is amended to read:

Sec. B.309 Department of Vermont health access - Medicaid program - state only

Grants	<u>53,067,318</u>	<u>55,742,931</u>
Total	53,067,318	55,742,931
Source of funds		
General fund	53,062,626	54,861,587
Global Commitment fund	<u>4,692</u>	<u>881,344</u>
Total	53,067,318	55,742,931

Sec. 10. 2023 Acts and Resolves No. 78, Sec. B.310 is amended to read:

Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched

Grants	<u>34,621,472</u>	<u>34,672,534</u>
Total	34,621,472	34,672,534

Source of funds		
General fund	12,634,069	12,493,853
Federal funds	<u>21,987,403</u>	<u>22,178,681</u>
Total	34,621,472	34,672,534

Sec. 11. 2023 Acts and Resolves No. 78, Sec. B.312 is amended to read:

Sec. B.312 Health - public health

Personal services	64,592,946	64,592,946
Operating expenses	13,047,530	13,047,530
Grants	<u>45,946,724</u>	<u>53,124,870</u>
Total	123,587,200	130,765,346

Source of funds		
General fund	12,408,429	12,408,429
Special funds	25,017,725	31,148,098
Tobacco fund	1,088,918	1,088,918
Federal funds	66,753,896	66,753,896
Global Commitment fund	16,582,951	17,630,724
Interdepartmental transfers	1,710,281	1,710,281
Permanent trust funds	<u>25,000</u>	<u>25,000</u>
Total	123,587,200	130,765,346

Sec. 12. 2023 Acts and Resolves No. 78, Sec. B.314 is amended to read:

Sec. B.314 Mental health - mental health

Personal services	47,716,644	50,489,379
Operating expenses	5,272,240	5,272,240
Grants	<u>264,539,814</u>	<u>264,343,558</u>
Total	317,528,698	320,105,177

Source of funds		
General fund	25,282,556	26,278,924
Special funds	1,708,155	1,708,155
Federal funds	10,999,654	10,999,654
Global Commitment fund	279,524,193	281,104,304
Interdepartmental transfers	<u>14,140</u>	<u>14,140</u>
Total	317,528,698	320,105,177

Sec. 13. 2023 Acts and Resolves No. 78, Sec. B.316 is amended to read:

Sec. B.316 Department for children and families - administration & support services

Personal services	44,446,942	46,323,033
Operating expenses	17,162,151	17,162,151
Grants	<u>3,919,106</u>	<u>3,919,106</u>
Total	65,528,199	67,404,290

Source of funds		
General fund	37,090,554	38,841,112
Special funds	2,781,912	2,781,912
Federal funds	23,540,549	23,540,549
Global Commitment fund	1,659,321	1,784,854
Interdepartmental transfers	<u>455,863</u>	<u>455,863</u>
Total	65,528,199	67,404,290

Sec. 14. 2023 Acts and Resolves No. 78, Sec. B.317 is amended to read:

Sec. B.317 Department for children and families - family services

Personal services	43,987,652	43,987,652
Operating expenses	5,180,385	5,180,385
Grants	<u>93,421,639</u>	<u>93,703,581</u>
Total	142,589,676	142,871,618
Source of funds		
General fund	59,707,017	59,046,300
Special funds	729,587	729,587
Federal funds	33,937,204	34,378,330
Global Commitment fund	48,178,131	48,679,664
Interdepartmental transfers	<u>37,737</u>	<u>37,737</u>
Total	142,589,676	142,871,618

Sec. 15. 2023 Acts and Resolves No. 78, Sec. B.318 is amended to read:

Sec. B.318 Department for children and families - child development

Personal services	5,670,999	5,670,999
Operating expenses	810,497	810,497
Grants	<u>95,860,842</u>	<u>99,707,882</u>
Total	102,342,338	106,189,378
Source of funds		
General fund	35,016,309	35,016,309
Special funds	16,745,000	16,745,000
Federal funds	37,419,258	41,266,298
Global Commitment fund	<u>13,161,771</u>	<u>13,161,771</u>
Total	102,342,338	106,189,378

Sec. 16. 2023 Acts and Resolves No. 78, Sec. B.320 is amended to read:

Sec. B.320 Department for children and families - aid to aged, blind and disabled

Personal services	2,252,206	2,252,206
Grants	<u>10,431,118</u>	<u>11,181,118</u>
Total	12,683,324	13,433,324

Source of funds		
General fund	7,533,333	7,533,333
Global Commitment fund	<u>5,149,991</u>	<u>5,899,991</u>
Total	12,683,324	13,433,324

Sec. 17. 2023 Acts and Resolves No. 78, Sec. B.323 is amended to read:

Sec. B.323 Department for children and families - reach up

Operating expenses	30,633	30,633
Grants	<u>35,536,413</u>	<u>36,683,099</u>
Total	35,567,046	36,713,732
Source of funds		
General fund	23,233,869	24,114,082
Special funds	5,970,229	5,970,229
Federal funds	3,531,330	2,806,330
Global Commitment fund	<u>2,831,618</u>	<u>3,823,091</u>
Total	35,567,046	36,713,732

Sec. 18. 2023 Acts and Resolves No. 78, Sec. B.330 is amended to read:

Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	<u>22,380,328</u>	<u>22,922,275</u>
Total	22,380,328	22,922,275
Source of funds		
General fund	9,220,695	9,220,695
Federal funds	7,321,114	7,321,114
Global Commitment fund	<u>5,838,519</u>	<u>6,380,466</u>
Total	22,380,328	22,922,275

Sec. 19. 2023 Acts and Resolves No. 78, Sec. B.334 is amended to read:

Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver

Grants	<u>6,638,028</u>	<u>6,938,028</u>
Total	6,638,028	6,938,028
Source of funds		
Global Commitment fund	<u>6,638,028</u>	<u>6,938,028</u>
Total	6,638,028	6,938,028

Sec. 20. 2023 Acts and Resolves No. 78, Sec. B.334.1 is amended to read:

Sec. B.334.1 Disabilities, aging and independent living - Long Term Care

Grants	<u>268,715,683</u>	<u>289,878,189</u>
Total	268,715,683	289,878,189

Source of funds		
General fund	498,579	498,579
Federal funds	2,450,000	2,450,000
Global Commitment fund	<u>265,767,104</u>	<u>286,929,610</u>
Total	<u>268,715,683</u>	289,878,189

Sec. 21. 2023 Acts and Resolves No. 78, Sec. B.338 is amended to read:

Sec. B.338 Corrections - correctional services

Personal services	139,473,576	152,714,793
Operating expenses	<u>24,600,099</u>	<u>24,600,099</u>
Total	<u>164,073,675</u>	177,314,892
Source of funds		
General fund	159,502,946	167,744,163
Special funds	935,963	935,963
ARPA State Fiscal	0	5,000,000
Federal funds	492,196	492,196
Global Commitment fund	2,746,255	2,746,255
Interdepartmental transfers	<u>396,315</u>	<u>396,315</u>
Total	<u>164,073,675</u>	177,314,892

Sec. 22. 2023 Acts and Resolves No. 78, Sec. B.338.1 is amended to read:

Sec. B.338.1 Corrections - Justice Reinvestment II

Grants	10,659,519	11,206,413
Total	<u>10,659,519</u>	11,206,413
Source of funds		
General fund	8,081,831	8,081,831
Federal funds	13,147	13,147
Global Commitment fund	<u>2,564,541</u>	<u>3,111,435</u>
Total	<u>10,659,519</u>	11,206,413

Sec. 23. 2023 Acts and Resolves No. 78, Sec. B.342 is amended to read:

Sec. B.342 Vermont veterans' home - care and support services

Personal services	18,187,631	24,284,571
Operating expenses	<u>5,978,873</u>	<u>6,813,344</u>
Total	<u>24,166,504</u>	31,097,915
Source of funds		
General fund	4,199,478	9,579,745
Special funds	11,655,797	13,627,301
Federal funds	<u>8,311,229</u>	<u>7,890,869</u>
Total	<u>24,166,504</u>	31,097,915

Sec. 24. 2023 Acts and Resolves No. 78, Sec. B.347 is amended to read:

Sec. B.347 Total human services

Source of funds

General fund	1,231,153,062	1,262,543,832
Special funds	124,537,345	132,639,222
Tobacco fund	23,088,208	23,088,208
State health care resources fund	25,265,312	25,438,836
ARPA State Fiscal	0	5,000,000
Federal funds	1,785,709,992	1,816,381,527
Global Commitment fund	1,943,848,077	1,976,541,555
Internal service funds	1,746,397	1,746,397
Interdepartmental transfers	28,591,925	28,717,025
Permanent trust funds	<u>25,000</u>	<u>25,000</u>
Total	5,163,965,318	5,272,121,602

Sec. 25. 2023 Acts and Resolves No. 78, Sec. B.500 is amended to read:

Sec. B.500 Education - finance and administration

Personal services	17,683,192	16,733,192
Operating expenses	4,387,522	4,407,522
Grants	<u>15,270,700</u>	<u>15,270,700</u>
Total	37,341,414	36,411,414

Source of funds

General fund	7,415,742	7,465,742
Special funds	16,575,926	16,595,926
Education fund	3,486,447	3,486,447
Federal funds	9,220,942	8,220,942
Global Commitment fund	260,000	260,000
Interdepartmental transfers	<u>382,357</u>	<u>382,357</u>
Total	37,341,414	36,411,414

Sec. 26. 2023 Acts and Resolves No. 78, Sec. B.502 is amended to read:

Sec. B.502 Education - special education: formula grants

Grants	226,195,600	229,821,806
Total	226,195,600	229,821,806

Source of funds

Education fund	<u>226,195,600</u>	<u>229,821,806</u>
Total	226,195,600	229,821,806

Sec. 27. 2023 Acts and Resolves No. 78, Sec. B.505 is amended to read:

Sec. B.505 Education - adjusted education payment

Grants	<u>1,703,317,103</u>	<u>1,711,148,481</u>
Total	1,703,317,103	1,711,148,481
Source of funds		
Education fund	<u>1,703,317,103</u>	<u>1,711,148,481</u>
Total	1,703,317,103	1,711,148,481

Sec. 28. 2023 Acts and Resolves No. 78, Sec. B.516 is amended to read:

Sec. B.516 Total general education

Source of funds		
General fund	216,199,064	216,249,064
Special funds	19,495,486	19,515,486
Tobacco fund	750,388	750,388
Education fund	<u>2,070,971,937</u>	<u>2,082,429,521</u>
Federal funds	493,305,099	492,305,099
Global Commitment fund	260,000	260,000
Interdepartmental transfers	382,357	382,357
Pension trust funds	<u>3,448,255</u>	<u>3,448,255</u>
Total	2,804,812,586	2,815,340,170

Sec. 29. 2023 Acts and Resolves No. 78, Sec. B.603 is amended to read:

Sec. B.603 Vermont state colleges - allied health

Grants	<u>1,157,775</u>	<u>1,774,148</u>
Total	1,157,775	1,774,148
Source of funds		
General fund	748,314	274,148
Global Commitment fund	<u>409,461</u>	<u>1,500,000</u>
Total	1,157,775	1,774,148

Sec. 30. 2023 Acts and Resolves No. 78, Sec. B.608 is amended to read:

Sec. B.608 Total higher education

Source of funds		
General fund	128,339,478	127,865,312
Education fund	41,225	41,225
Global Commitment fund	<u>409,461</u>	<u>1,500,000</u>
Total	128,790,164	129,406,537

Sec. 31. 2023 Acts and Resolves No. 78, Sec. B.702 is amended to read:

Sec. B.702 Fish and wildlife - support and field services

Personal services	21,567,730	22,223,023
Operating expenses	7,140,027	7,140,027
Grants	<u>936,232</u>	<u>936,232</u>
Total	29,643,989	30,299,282

Source of funds		
General fund	7,173,206	7,603,314
Special funds	370,644	385,694
Fish and wildlife fund	10,921,090	10,921,090
Federal funds	9,793,589	10,003,724
Interdepartmental transfers	<u>1,385,460</u>	<u>1,385,460</u>
Total	29,643,989	30,299,282

Sec. 32. 2023 Acts and Resolves No. 78, Sec. B.710 is amended to read:

Sec. B.710 Environmental conservation - air and waste management

Personal services	26,006,961	29,506,961
Operating expenses	10,026,393	10,026,393
Grants	<u>4,905,988</u>	<u>4,905,988</u>
Total	40,939,342	44,439,342
Source of funds		
General fund	193,565	193,565
Special funds	26,236,633	29,736,633
Federal funds	14,342,090	14,342,090
Interdepartmental transfers	<u>167,054</u>	<u>167,054</u>
Total	40,939,342	44,439,342

Sec. 33. 2023 Acts and Resolves No. 78, Sec. B.714 is amended to read:

Sec. B.714 Total natural resources

Source of funds		
General fund	37,999,582	38,429,690
Special funds	79,971,986	83,487,036
Fish and wildlife fund	10,921,090	10,921,090
Federal funds	93,077,302	93,287,437
Interdepartmental transfers	<u>13,215,308</u>	<u>13,215,308</u>
Total	235,185,268	239,340,561

Sec. 34. 2023 Acts and Resolves No. 78, Sec. B.800 is amended to read:

Sec. B.800 Commerce and community development - agency of commerce and community development - administration

Personal services	2,610,304	2,510,304
Operating expenses	982,307	982,307
Grants	<u>539,820</u>	<u>539,820</u>
Total	4,132,431	4,032,431
Source of funds		
General fund	3,666,442	3,566,442

Federal funds	351,000	351,000
Interdepartmental transfers	<u>114,989</u>	<u>114,989</u>
Total	4,132,431	4,032,431

Sec. 35. 2023 Acts and Resolves No. 78, Sec. B.802 is amended to read:

Sec. B.802 Housing and community development

Personal services	6,428,334	6,528,334
Operating expenses	705,584	705,584
Grants	<u>23,739,005</u>	<u>25,967,039</u>
Total	30,872,923	33,200,957
Source of funds		
General fund	5,031,943	5,131,943
Special funds	6,937,054	9,165,088
Federal funds	15,854,615	15,854,615
Interdepartmental transfers	<u>3,049,311</u>	<u>3,049,311</u>
Total	30,872,923	33,200,957

Sec. 36. 2023 Acts and Resolves No. 78, Sec. B.813 is amended to read:

Sec. B.813 Total commerce and community development

Source of funds		
General fund	21,222,221	21,222,221
Special funds	32,106,330	34,334,364
Federal funds	93,013,297	93,013,297
Interdepartmental transfers	<u>5,062,973</u>	<u>5,062,973</u>
Total	151,404,821	153,632,855

Sec. 37. 2023 Acts and Resolves No. 78, Sec. B.1000 is amended to read:

Sec. B.1000 Debt service

Operating expenses	<u>75,705,398</u>	<u>675,000</u>
Total	75,705,398	675,000
Source of funds		
General fund	75,377,993	675,000
Transportation fund	<u>327,405</u>	<u>0</u>
Total	75,705,398	675,000

Sec. 38. 2023 Acts and Resolves No. 78, Sec. B.1001 is amended to read:

Sec. B.1001 Total debt service

Source of funds		
General fund	75,377,993	675,000
Transportation fund	<u>327,045</u>	<u>0</u>
Total	75,705,398	675,000

Sec. 39. 2023 Acts and Resolves No. 78, Sec. B.1100 is amended to read:

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2024 ONE-TIME
APPROPRIATIONS

(a) Agency of Administration. In fiscal year 2024, funds are appropriated for the following:

* * *

(4) \$30,000,000 General Fund to be used as Federal Emergency Management Agency (FEMA) matching funds for costs incurred due to the July 2023 flooding event.

(5) \$6,250,000 General Fund for grants to municipalities in counties that were impacted by the July 2023 flooding event and are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration DR-4720-VT. Grants shall be made in proportion to the municipality's share of the overall percentage of residential properties that were majorly damaged or destroyed, as designated by FEMA, by the July 2023 flooding event.

(6) \$3,000,000 Interdepartmental Transfer Fund for Enterprise Resource Planning (ERP) Modernization – Business Transformation.

* * *

(c) Department of Human Resources. In fiscal year 2024, funds are appropriated for the following:

(1) ~~\$725,000~~ \$600,000 General Fund to fund ~~seven~~ six 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~~ \$200,000 General Fund to fund ~~one~~ two new permanent full-time ~~position~~ positions in the VTHR Operations division in fiscal year 2024. These position costs shall be funded through the ~~Department of Human Resources~~ Financial Management – Internal Service Fund beginning in fiscal year 2025; and

* * *

~~(d) \$200,000 General Fund to the Department of Libraries in.~~ In fiscal year 2024, funds are appropriated for the following:

(1) \$200,000 General Fund to support the FiberConnect project relating to Internet access in public libraries; and

(2) \$11,500 General Fund for contract costs incurred in support of the Working Group on the Status of Libraries in Vermont pursuant to 2021 Acts and Resolves No. 66, Sec. 1.

* * *

(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; and

(4) \$6,000,000 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund for water quality grants to partners and farmers, in accordance with the Clean Water Board’s fiscal year 2023 and fiscal year 2024 budget recommendations and 2021 Acts and Resolves No. 74, Sec. G.700(a)(6)(A).

* * *

(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; and

~~(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:

* * *

(3) \$10,000,000 General Fund to continue to address the emergent and exigent circumstances impacting health care providers following the COVID-19 pandemic. All or a portion of these funds may also be used as matching funds to the Agency of Human Services Global Commitment Program to

provide state match. If funds are used as matching funds to the Agency of Human Services Global Commitment Program to provide state match, the commensurate amount of Global Commitment Fund spending authority may be requested during the Global Commitment Transfer process pursuant to 2023 Acts and Resolves No. 78, Sec. E.301.1;

* * *

(n) Department of Health. In fiscal year 2024, funds are appropriated for the following:

* * *

(7) \$5,000,000 General Fund for the purpose of supporting the Community Violence Prevention Program established by legislation enacted in 2023. An amount not to exceed five percent of this appropriation may be used for the administrative costs of the program, including the funding of an existing limited service position at the Department of Health. 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;

* * *

(o) Department for Children and Families. In fiscal year 2024, funds are appropriated for the following:

* * *

(3) ~~\$40,000 General 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~~ for the Youth Development Program to fund costs associated with supporting youth in foster care, or formerly in foster care, to learn to drive and to obtain their drivers' licenses and independent transportation;

* * *

(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;

(11) \$10,704,802 General Fund for emergency housing needs through the end of fiscal year 2024; and

(12) \$4,000,000 General Fund for standing up shelters in five communities.

* * *

(r) Agency of Education. In fiscal year 2024, funds are appropriated for the following:

(1) \$200,000 General Fund in fiscal year 2024 to the Agency of Education for the work of the School Construction Task Force; and

(2) \$1,924,495 Education Fund to hold Local Education Agencies harmless for the Special Education Census Block Grant miscalculation.

* * *

(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; and

(4) \$20,000,000 General Fund for the appropriation established in 2022 Acts and Resolves No. 185, Sec. B.1100(a)(28), as amended by 2023 Acts and Resolves No. 3, Sec. 45, to replenish the \$20,000,000 of General Fund spending authority transferred by the Emergency Board on July 31, 2023, per 32 V.S.A. §§ 133(b) and 706(2), as directed by order of the Emergency Board under Item 5(a) – Business Emergency Gap Assistance Program.

* * *

(x) Judiciary. In fiscal year 2023, funds are appropriated for the following:

(1) \$300,000 General Fund for the Essex County Courthouse renovation planning; and

(2)(A) \$4,680,000 General Fund to the Judiciary for the Judiciary network replacement project.

(B) Judiciary shall update the Joint Information Technology Oversight Committee on the status of this project on or before December 1, 2023.

* * *

Sec. 40. 2023 Acts and Resolves No. 78, Sec. B.1101 is amended to read:

Sec. B.1101 WORKFORCE AND ECONOMIC DEVELOPMENT –
FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

* * *

(b) Youth workforce and high school completion.

* * *

(2) In fiscal year 2024, the amount of ~~\$1,000,000~~ \$1,175,000 is appropriated from the General Fund to the Agency of Education for grants to Adult Basic Education programs to provide bridge funding and deficit assistance for Adult Basic Education programs while the study and report required by Sec. E.504 of this act is completed.

* * *

(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~~ granted 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.

* * *

(4) In fiscal year 2024, the amount of \$3,000,000 is appropriated from the General Fund to the ~~Department of Mental Health~~ Agency of Human Services to address workforce needs at the designated and specialized services 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 services 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.

(5) In fiscal year 2024, the amount of \$6,899,724 is appropriated from the Global Commitment Fund to the Department of Mental Health for purposes of leveraging the appropriation in subdivision (4) of this subsection for Global Commitment investment.

* * *

(g) Agriculture Economic Development.

* * *

(3) In fiscal year 2024, the amount of ~~\$6,900,000~~ \$7,025,492 General Fund is appropriated to the Agency of Agriculture, Food and Markets to fund Agriculture Development Grants for the Organic Dairy Farm Assistance Program. Farms eligible for assistance that timely filed a complete application in calendar year 2023 and that are currently operating as of the passage of the fiscal year 2024 budget adjustment act shall be eligible for an award under the Program.

* * *

Sec. 41. 2023 Acts and Resolves No. 78, Sec. B.1103 is amended to read:

Sec. B.1103 CLIMATE AND ENVIRONMENT – FISCAL YEAR 2024
ONE-TIME APPROPRIATIONS

* * *

(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.

* * *

(n) In fiscal year 2024, the amount of \$165,000 General Fund is appropriated to the Department of Environmental Conservation to complete the engineering assessment for the Green River Reservoir Dam. The Department shall share the findings of the assessment with Morrisville Water and Light.

Sec. 42. 2023 Acts and Resolves No. 78, Sec. B.1104 is amended to read:

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 and to fund the present value of modifications to the postretirement adjustments allowance.

Sec. 43. 2023 Acts and Resolves No. 78, Sec. B.1105(d) is amended to read:

(d) In fiscal year 2024, to the extent funds are available from transfers made in Sec. C.109 of this act, and before the appropriation identified in 2023

Acts and Resolves No. 81, Sec. 7(a), the projects in this subsection 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:

* * *

Sec. 44. 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, a construction project with a construction cost exceeding \$200,000.00 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. § 1001b shall provide that all construction employees working on the project shall be paid 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.

Sec. 45. 2023 Acts and Resolves No. 78, Sec. C.108 is amended to read:

Sec. C.108 RESERVES FOR INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA) MATCH

* * *

(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, from the transfer provided in subdivision D.101(a)(1)(D)(ii) of this act, 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. 46. 2023 Acts and Resolves No. 78, Sec. C.109 is amended to read:

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~~ a remaining unobligated fund balance in fiscal year 2023 after the transfers to the General Fund are made, 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.

* * *

Sec. 47. 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 78, Sec. C.115, is further 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) Up to \$1,000,000 shall be available for the retention of technical experts to assist the Public Safety Communications Task Force with the analysis and planning required by ~~Sec. C.112 of this act~~ 2023 Acts and Resolves No. 78, Sec. C.114 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) Up to \$4,500,000 shall be available to provide funding for pilot projects pursuant to ~~Sec. C.112(f), of this act~~ 2023 Acts and Resolves No. 78, Sec. C.114(f).

(3) Any remaining amounts not obligated pursuant to subdivisions (1) and (2) of this subsection (b) shall ~~be held in reserve~~ remain unobligated and unexpended 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~~ In order to extract the greatest value from the limited State and federal dollars currently available for public safety communications modernization, it is the intent of the General Assembly that all such funding is expended in an

efficient and complementary manner. To that end, the Commissioner of Public Safety shall 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, to the greatest extent possible, the goals of a statewide public safety communications system developed by the Public Safety Communications Task Force. The Commissioner of Public Safety shall consult with promptly inform the Public Safety Communications Task Force as the federal parameters for expending the funds become available and as the Commissioner develops a and, if necessary, revises the plan to expend such funds. The Commissioner shall solicit recommendations from the Task Force regarding the plan, including any revisions to the plan, the implementation schedule, and specific expenditures. In addition, the Commissioner shall update the Joint Fiscal Committee on planned expenditures.

* * *

Sec. 48. 2023 Acts and Resolves No. 78, Sec. C.114(f), is amended to read:

(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.~~

* * *

Sec. 49. 2023 Acts and Resolves No. 78, Sec. C.120 is amended to read:

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. § 308e.~~

~~(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 25 percent 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) of this act shall be unreserved and reserved within the General Fund Balance Reserve established by 32 V.S.A. § 308e [Repealed.]~~

Sec. 50. 2023 Acts and Resolves No. 78, Sec. C.123 is amended to read:

Sec. C.123 HOUSING TRANSITION; RESOURCES FOR
COMPREHENSIVE COMMUNITY RESPONSE

* * *

(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~~ Department of Corrections in 2022 Acts and Resolves No. 185, Sec. B.338. 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~~ Department of Corrections from American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund dollars 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.

* * *

Sec. 51. 2023 Acts and Resolves No. 78, Sec. D.100 is amended to read:

Sec. D.100 APPROPRIATIONS ALLOCATIONS; PROPERTY
TRANSFER TAX

(a) This act contains the following amounts ~~appropriated from~~ allocated to special funds that receive revenue from the property transfer tax. ~~Expenditures from these appropriations~~ These allocations shall not exceed available revenues.

(1) The sum of \$560,000 is ~~appropriated~~ allocated 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. 52. 2023 Acts and Resolves No. 78, Sec. D.100.1 is amended to read:

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 shall be used for municipal bylaw modernization.~~

Sec. 53. 2023 Acts and Resolves No. 78, Sec. D.101 is amended to read:

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:

* * *

(E) the Fire Prevention/Building Inspection Special Fund (21901): \$1,500,000.00; and

(F) the Tax Computer System Modernization Fund (21909): \$3,600,000.00;

(G) the State Liability Insurance Fund (56200): \$9,500,000.00;

(H) the Emergency Relief and Assistance Fund (21555): \$17,250,000.00;

(I) the Act 250 Permit Fund (21260): \$120,300.00;

(J) the General Government Projects Fund (31100): \$139.24;

(K) the Protection Projects Fund (31200): \$1,180,584.31;

(L) the Natural Resources Projects Fund (31500): \$2,127,949.51;

(M) the Commerce and Community Development Projects Fund (31600): \$545,295.85; and

(N) the General Obligation Bonds Debt Service Fund (35100): \$71,202,993.

* * *

(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; and

(B) the General Obligation Bonds Debt Service Fund (35100): \$327,405.

(5) From the Waste Management Assistance Fund (21285) to:

(A) the Environmental Contingency Fund (21275): \$3,500,000.

(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
<u>50250 Sports Wagering Fund</u>	\$1,204,000 <u>\$3,200,000</u>
Caledonia Fair	\$5,000
North Country Hospital Loan Repayment	\$24,047
Springfield Hospital Promissory Note Repayment	\$121,416
21970 <u>Registration Fees Fund</u>	<u>\$605,273.01</u>
21064 <u>Financial Institutions Supervision Fund</u>	<u>\$4,024,748</u>

(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	<u>\$4,000,000</u>
621000 Unclaimed Property Fund	\$3,270,225	<u>\$4,806,692</u>

* * *

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, ~~\$60,044,000~~ \$57,667,840 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)(1)(A) 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~~ the general funds appropriated in Sec. B.301 of this act for the Global Commitment Program:

3400004000 Agency of Human Services –	
Secretary’s Office— Global Commitment	\$15,103,683

(B) 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:

<u>1130892201</u>	<u>Lib – Working Group Per Diem</u>	<u>\$11,550.00</u>
<u>1140070000</u>	<u>Use Tax Reimbursement Program</u>	<u>\$120,096.98</u>
<u>1140330000</u>	<u>Renter Rebates</u>	<u>\$943,487.35</u>
<u>1150891901</u>	<u>Electric Vehicle Charge</u>	<u>\$4,412.78</u>
<u>1250010000</u>	<u>Auditor of Accounts</u>	<u>\$21,067.71</u>
<u>1260010000</u>	<u>Office of the Treasurer</u>	<u>\$110,821.00</u>
<u>2110010000</u>	<u>Assigned Counsel</u>	<u>\$3.37</u>
<u>2120892203</u>	<u>JUD – County Courthouse HVAC</u>	<u>\$300,000.00</u>
<u>2130200000</u>	<u>Sheriffs</u>	<u>\$29,880.53</u>
<u>2130400000</u>	<u>SIUS Parent Account</u>	<u>\$167,678.27</u>
<u>2130500000</u>	<u>Crime Victims Advocates</u>	<u>\$18,465.95</u>
<u>2150010000</u>	<u>Military – Administration</u>	<u>\$100,782.00</u>
<u>2160892102</u>	<u>CCVS-BCJC for St Jo’s Orphan</u>	<u>\$88.00</u>
<u>2200010000</u>	<u>Administration Division</u>	<u>\$389,654.70</u>
<u>2230892202</u>	<u>SOS – One-Time FY22 Election Cost</u>	<u>\$171,400.78</u>
<u>2320020000</u>	<u>Liquor Enforcement & Licensing</u>	<u>\$15,000.00</u>
<u>3150070000</u>	<u>Mental Health</u>	<u>\$2,772,735.17</u>
<u>3310000000</u>	<u>Commission on Women</u>	<u>\$11,173.77</u>
<u>3330010000</u>	<u>Green Mountain Care Board</u>	<u>\$250,000.00</u>
<u>3400001000</u>	<u>Secretary’s Office Admin Costs</u>	<u>\$475,775.00</u>
<u>3400004000</u>	<u>Global Commitment</u>	<u>\$11,676,230.24</u>
<u>3400010000</u>	<u>Human Services Board</u>	<u>\$110,000.00</u>
<u>3400892109</u>	<u>St Match – Act 155 4(a),5(a)</u>	<u>\$34,350.00</u>
<u>3400892203</u>	<u>AHSCO – COVID-19 Emergent/Exigen</u>	<u>\$4,868,985.74</u>
<u>3400892205</u>	<u>AHSCO – Workforce Recruitment</u>	<u>\$4,367,147.39</u>
<u>3400892312</u>	<u>AHSCO – VT Nursing Forgivable Loan</u>	<u>\$13,403.00</u>
<u>3410018000</u>	<u>DVHA – Medicaid-Non-Waiver Program</u>	<u>\$525,610.73</u>

<u>3420060000</u>	<u>Substance Use Programs</u>	<u>\$119,130.89</u>
<u>3440010000</u>	<u>DCFS – Admin & Support Services</u>	<u>\$2,595,167.55</u>
<u>3440020000</u>	<u>DCFS – Family Services</u>	<u>\$2,864,970.25</u>
<u>3440030000</u>	<u>DCFS – Child Development</u>	<u>\$3,131,063.24</u>
<u>3440050000</u>	<u>DCFS – AABD</u>	<u>\$451,263.27</u>
<u>3440060000</u>	<u>DCFS – General Assistance</u>	<u>\$1,414,739.60</u>
<u>3440080000</u>	<u>DCFS – Reach Up</u>	<u>\$979,674.76</u>
<u>3440100000</u>	<u>DCFS – OEO Office of Economic Opp.</u>	<u>\$273,038.00</u>
<u>3440120000</u>	<u>DCFS – Secure Res. Treatment</u>	<u>\$2,752,270.00</u>
<u>3440130000</u>	<u>DCFS – DDS</u>	<u>\$80,299.43</u>
<u>3440891908</u>	<u>Weatherization Assist Bridge</u>	<u>\$1,892.85</u>
<u>3440892214</u>	<u>DCF – Childcare Provider Workforce</u>	<u>\$2,879,549.25</u>
<u>3440892309</u>	<u>DCF – Worker Retention Grant</u>	<u>\$564,500.00</u>
<u>3480007000</u>	<u>Corrections – Justice Reinvest</u>	<u>\$831,964.28</u>
<u>4100500000</u>	<u>VT Department of Labor</u>	<u>\$2,400,000.00</u>
<u>5100010000</u>	<u>Administration</u>	<u>\$0.03</u>
<u>5100060000</u>	<u>Adult Basic Education</u>	<u>\$136.13</u>
<u>5100892214</u>	<u>AOA – School Food Program Admin</u>	<u>\$50,670.70</u>
<u>5100892301</u>	<u>AOE – Child Nutrition</u>	<u>\$244,648.60</u>
<u>5100892309</u>	<u>AOE – Staffing</u>	<u>\$146,649.08</u>
<u>6100040000</u>	<u>Property Tax Assessment Approp.</u>	<u>\$9,542.14</u>
<u>6130030000</u>	<u>Parks</u>	<u>\$3.85</u>
<u>6130891903</u>	<u>Logger Safety, Value Added</u>	<u>\$108.51</u>
<u>6140040000</u>	<u>Water Programs Appropriation</u>	<u>\$0.20</u>
<u>7110010000</u>	<u>Housing & Community Development</u>	<u>\$1.86</u>
<u>7120010000</u>	<u>Economic Development</u>	<u>\$0.71</u>
<u>7130000000</u>	<u>Dept. of Tourism & Marketing</u>	<u>\$230.47</u>

(2) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Transportation Fund from the accounts indicated:

<u>1150400000</u>	<u>BGS – Information Centers</u>	<u>\$183,952.35</u>
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(3) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Transportation Infrastructure Bond Fund from the accounts indicated:

<u>8100001100</u>	<u>Program Development</u>	<u>\$3,239,445.00</u>
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(4) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Education Fund from the accounts indicated:

<u>5100010000</u>	<u>Administration</u>	<u>\$1,280,710.79</u>
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<u>5100110000</u>	<u>Small School Grant</u>	<u>\$391,067.00</u>
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<u>5100200000</u>	<u>Education – Technical Education</u>	<u>\$1,204,216.38</u>
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<u>5100892310</u>	<u>Education – Universal Meals</u>	<u>\$6,823,849.84</u>
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(5) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Clean Water Fund from the accounts indicated:

<u>1100010000</u>	<u>Secretary of Administration</u>	<u>\$100,000.00</u>
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(6) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund from the accounts indicated:

<u>6140892207</u>	<u>Department of Environmental Conservation – Clean Water Board</u>	<u>\$6,000,000.00</u>
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<u>1110892111</u>	<u>University of Vermont – Workforce Upskill</u>	<u>\$131,670.00</u>
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<u>1110892112</u>	<u>VSAC HS Grad Advancement</u>	<u>\$24,539.92</u>
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<u>1110892219</u>	<u>University of Vermont – New Career</u>	<u>\$184,485.00</u>
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<u>2200892308</u>	<u>AAFM – Soil Quality Practices</u>	<u>\$200,000.00</u>
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<u>3400892204</u>	<u>AHSCO – Workforce Retention</u>	<u>\$2,000,000.00</u>
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<u>3440892205</u>	<u>DCF – OEO – Community Action Agc</u>	<u>\$3,182.48</u>
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<u>4100892203</u>	<u>DOL-COVID-19 Unemployment Syst</u>	<u>\$2,456,122.60</u>
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(7) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Tobacco Fund from the accounts indicated:

<u>3400891802</u>	<u>Invest Substance Use Treat</u>	<u>\$1,500,000</u>
<u>3400891803</u>	<u>Finance Substance Use Treat</u>	<u>\$724,241.80</u>

* * *

(e)(1) Notwithstanding Sec. 1.4.3 of the Rules for State Matching Funds Under the Federal Public Assistance Program, in fiscal year 2024, the Secretary of Administration may provide funding from the Emergency Relief and Assistance Fund that was transferred pursuant to subdivision (a)(1)(H) of this section to subgrantees prior to the completion of a project. In fiscal year 2024, up to 70 percent of the State funding match on the non-federal share of an approved project for municipalities in counties that were impacted by the July 2023 flooding event and are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration DR-4720-VT may be advanced at the request of a municipality.

(2) Notwithstanding Sec. 1.4.1 of the Rules for State Matching Funds Under the Federal Public Assistance Program, in fiscal year 2024, the Secretary of Administration shall increase the standard State funding match on the non-federal share of an approved project to the highest percentage possible given available funding for municipalities in counties that were impacted by the July 2023 flooding event and are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration DR-4720-VT.

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Sec. 54. 2023 Acts and Resolves No. 78, Sec. E.100 is amended to read:

Sec. E.100 EXECUTIVE BRANCH POSITIONS

(a) The establishment of ~~68~~ 75 permanent positions is authorized in fiscal year 2024 for the following:

(1) Permanent classified positions:

* * *

(R) Department for Children and Families:

(i) five Family Service Workers;

(S) Cannabis Control Board:

(i) one Compliance Agent; and

(ii) one Deputy Director of Compliance and Enforcement.

* * *

(c) The establishment of 9 12 new classified limited service positions is authorized in fiscal year 2024 as follows:

* * *

(3) Department of Finance and Management:

(A) one VISION Reporting Analyst III; and

(B) two VISION Financial Analysts II.

* * *

Sec. 55. 2022 Acts and Resolves No. 185, Sec. B.1102, as amended by 2023 Acts and Resolves No. 3, Sec. 47, is further amended to read:

Sec. B.1102 FISCAL YEAR 2023 ONE-TIME TECHNOLOGY
MODERNIZATION SPECIAL FUND APPROPRIATIONS

(a) In fiscal year 2023, funds are appropriated from the Technology Modernization Special Fund (21951) for new and ongoing initiatives as follows:

(1) \$40,010,000 to the Agency of Digital Services to be used as follows:

(A) \$11,800,000 for Enterprise Resource Planning (ERP) system upgrade of core statewide financial accounting system and integration with the Department of Labor and Agency of Transportation financial systems. The Commissioner of Finance and Management may transfer up to \$3,000,000 of these funds to other agencies and departments for other Enterprise Resource Planning modernization-related projects, including business process transformation;

* * *

Sec. 56. 3 V.S.A. § 3306 is amended to read:

§ 3306. TECHNOLOGY MODERNIZATION SPECIAL FUND

(a) Creation. There is created the Technology Modernization Special Fund, to be administered by the Agency of Digital Services. Monies in the Fund shall be used to fund business process transformation and to purchase, implement, and upgrade technology platforms, systems, and cybersecurity services used by State agencies and departments to carry out their statutory functions.

* * *

Sec. 57. AGENCY OF ADMINISTRATION; ENTERPRISE RESOURCE
PLANNING

(a) In fiscal year 2024, the Agency of Administration shall report to the Joint Information Technology Oversight Committee within three business days after any change in status of any contract relating to the Enterprise Resource Planning (ERP) Modernization – Business Transformation project changes.

(b) The Agency of Administration shall share the results of its independent review with the Committee within three business days after its completion.

Sec. 58. 2023 Acts and Resolves No. 78, Sec. E.111.2 is amended to read:

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 remain in the fund established as codified by 32 V.S.A. § 3209.

Sec. 59. 2023 Acts and Resolves No. 78, Sec. E.131.2 is added to read:

Sec. E.131.2 TREASURER; STATE RESERVES STUDY

(a) Report. On or before December 15, 2024, the Treasurer shall, in consultation with the Department of Finance and Management and the Joint Fiscal Office, submit a written report to the Joint Fiscal Committee on the State's fiscal reserve practices and the fiscal reserve practices of other states. The report shall include a review of:

(1) the current fiscal reserve practices of the State, including a review of which funds have statutory reserves and which funds do not;

(2) the fiscal reserve practices of other states and best practices;

(3) how Vermont's fiscal reserve practices compare to those of other states and to best practices; and

(4) the cash reserve policies of the State as it compares to reserve requirements.

(b) The report shall include the Treasurer's findings and any recommendations for changes in the fiscal reserve practices of the State.

Sec. 60. 2023 Acts and Resolves No. 78, Sec. E.131.3 is added to read:

Sec. E.131.3 TREASURER; STRESS-TESTING REPORT

(a) Report. On or before December 15, 2024, the Treasurer, in consultation with the Department of Finance and Management and the Joint Fiscal Office, shall submit a written report to the Joint Fiscal Committee on fiscal stress-testing practices and methodologies in other states. The report shall address the extent to which such practices may be useful or beneficial and

include any recommendations for the implementation of stress-testing practices in State government.

Sec. 61. 2023 Acts and Resolves No. 78, Sec. E.300.2 is amended to read:

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 pilot program funded in Sec. B.1100 of this act and shall update the Joint Fiscal Committee on its findings on or before November 15, 2023.

Sec. 62. 2023 Acts and Resolves No. 78, Sec. E.301 is amended to read:

Sec. E.301 SECRETARY'S OFFICE – GLOBAL COMMITMENT

* * *

(b) In addition to the State funds appropriated in Sec. B.301 of this act, a total estimated sum of ~~\$25,231,644~~ \$25,050,921 is anticipated to be certified as State matching funds under the Global Commitment as follows:

* * *

(c) Up to ~~\$4,034,170~~ \$3,737,210 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. 63. 2023 Acts and Resolves No. 78, Sec. E.312 is amended to read:

Sec. E.312 HEALTH – PUBLIC HEALTH

(a) HIV/AIDS funding:

* * *

(5) In fiscal year 2024, the Department of Health shall provide grants in the amount of \$300,000 in General Funds Fund dollars to the current syringe exchange programs in 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.

* * *

Sec. 64. 2022 Acts and Resolves No. 185, Sec. B.802, as amended by 2023 Acts and Resolves No. 3, Sec. 41, is further amended to read:

Sec. B.802 Housing and community development

Personal services	5,321,306	<u>5,212,164</u>
Operating expenses	673,807	<u>671,358</u>
Grants	77,056,152	<u>27,259,532</u>
Total	83,051,265	<u>33,143,054</u>
Source of funds		
General fund	4,065,708	4,065,708
Special funds	7,204,966	7,747,606
Federal funds	68,364,457	<u>18,456,246</u>
Interdepartmental transfers	2,873,494	2,873,494
Total	83,051,265	<u>33,143,054</u>

Sec. 65. 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. 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:

* * *

(38) \$30,000 to the Department of Health ~~for a grant to enter into an agreement~~ with the American Heart Association for CPR and First Aid Training kits to facilitate training in schools.

* * *

Sec. 66. 2022 Acts and Resolves No. 183, Sec. 53(a), as amended by 2023 Acts and Resolves No. 3, Sec. 81 is further amended to read:

(a) Reversion. In fiscal year 2023, of the amounts appropriated in 2021 Acts and Resolves No. 74, Sec. G.300(a)(13) and 2021 Acts and Resolves No. 9, Sec. 3(b)(1), from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Economic Recovery Grant Program, ~~\$25,042,000.00~~ \$24,980,874.93 shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds.

Sec. 67. 2023 Acts and Resolves No. 22, Sec. 3 is amended to read:

Sec. 3. APPROPRIATION; COMMUNITY NEEDLE AND SYRINGE DISPOSAL PROGRAMS

~~In~~ Notwithstanding any provision of law to the contrary, in fiscal year 2024, \$150,000.00 is ~~authorized~~ appropriated from the Evidence-Based Education and Advertising Fund ~~in~~ established by 33 V.S.A. § 2004a to the Department of Health's Division of Substance Use Programs to provide grants and consultations for municipalities, hospitals, community health centers, and other publicly available community needle and syringe disposal programs that participated in a stakeholder meeting pursuant to Sec. 2 of this act.

Sec. 68. 2023 Acts and Resolves No. 22, Sec. 14 is amended to read:

Sec. 14. APPROPRIATION; OPIOID ABATEMENT SPECIAL FUND

In fiscal year 2023, the following monies shall be appropriated from the Opioid Abatement Special Fund pursuant to 18 V.S.A. § 4774:

* * *

(9) All appropriations made in this section shall carry forward into fiscal year 2024 unless reverted as part of the fiscal year 2024 budget adjustment act.

Sec. 69. 2022 Acts and Resolves No. 185, Sec. G.600(b), as amended by 2023 Acts and Resolves No. 3, Sec. 85, and 2023 Acts and Resolves No. 62, Sec. 26, is further amended to read:

(b) In fiscal year 2023, \$32,200,000 is appropriated from the General Fund and \$550,000 is appropriated from the Transportation Fund for electric vehicle charging infrastructure, electrification incentives and public transportation investments as follows:

* * *

(4) ~~\$3,000,000~~ \$4,000,000 to the Agency of Transportation to grant to the Community Action Agencies to support the MileageSmart Program, established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(5) ~~\$2,350,000.00~~ \$1,350,000 to the Agency of Transportation for the Replace Your Ride Program, established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

(6) ~~\$2,200,000~~ \$2,350,000 general funds and \$550,000 Transportation funds to the Agency of Transportation for the following:

* * *

(C) \$50,000 Transportation funds and ~~\$100,000~~ \$150,000 general funds to the Agency of Transportation for electric bicycle incentives.

(7) \$500,000 to the Agency of Transportation Electrify Your Fleet Program.

Sec. 70. 2023 Acts and Resolves No. 81, Sec. 8 is amended to read:

Sec. 8. EMERGENCY HOUSING TRANSITION; FUNDING; FISCAL
YEAR 2024 BUDGET ADJUSTMENT

(a) The Agency of Human Services shall ~~hold in reserve~~ revert as much ~~funding spending authority~~ as possible ~~from~~ during 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 pursuant to the Secretary of Administration's discretion under 2023 Acts and Resolves No. 3, Sec. 109. If 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, then the General Assembly may provide additional spending authority as needed.

* * *

Sec. 71. 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 each individual permit or permit application 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:

* * *

Sec. 72. 16 V.S.A. § 4025(b)(2) is amended to read:

(2) To cover the cost of fund auditing, accounting, revenue collection, and of short-term borrowing to meet fund cash flow requirements.

Sec. 73. 18 V.S.A. § 1001 is amended to read:

§ 1001. REPORTS TO COMMISSIONER OF HEALTH

* * *

(b) Public health records developed or acquired by State or local public health agencies that relate to HIV or AIDS and that contain either personally identifying information or information that may indirectly identify a person shall be confidential and only disclosed following notice to and written authorization from the individual subject of the public health record or the individual's legal representative. Notice otherwise required pursuant to this section shall not be required for disclosures to the federal government; other

departments, agencies, or programs of the State; or other states' infectious disease surveillance programs if the disclosure is for the purpose of comparing the details of potentially duplicative case reports, public health surveillance, or epidemiological follow-up, provided the information shall be shared using the least identifying information first so that the individual's name shall be used only as a last resort.

* * *

Sec. 74. 33 V.S.A. § 3511 is amended to read:

§ 3511. DEFINITIONS

As used in this chapter:

* * *

(7) "Family child care home" means a child care facility that provides care on a regular basis in the caregiver's own residence ~~for not more than 10 children at any one time. Of this number, up to six children may be provided care on a full-time basis and the remainder on a part-time basis. As used in this subdivision, care of a child on a part-time basis shall mean care of a school-age child for not more than four hours a day. These limits shall not include children who reside in the residence of the caregiver, except:~~

(A) ~~These part-time, school-age children may be cared for on a full-day basis during school closing days, snow days, and vacation days that occur during the school year.~~

(B) ~~During the school summer vacation, up to 12 children may be cared for provided that at least six of these children are of school age and a second staff person is present and on duty when the number of children in attendance exceeds six. These limits shall not include children who are required by law to attend school (seven years of age and older) and who reside in the residence of the caregiver.~~

* * *

Sec. 75. 29 V.S.A. chapter 61 is amended to read:

CHAPTER 61. MUNICIPAL EQUIPMENT LOAN FUND

* * *

§ 1602. APPLICATION; LOANS; CONDITIONS

(a) Upon application of a municipality or two or more municipalities applying jointly, the State Treasurer may loan money from the Fund to that municipality or municipalities for the purchase of equipment. Purchases of equipment eligible for loans from the Fund shall have a useful life of at least

five years and a purchase price of at least \$20,000.00 but shall not be eligible for loans in excess of ~~\$110,000.00~~ \$150,000.00 from this Fund.

(b) The Treasurer is authorized to establish terms and conditions, including repayment schedules of up to five years for loans from the Fund to ensure repayment of loans to the Fund. Before a municipality may receive a loan from the Fund, it shall give to the Treasurer security for the repayment of the funds. The security shall be in such form and amount as the Treasurer may determine and may include a lien on the equipment financed by the loan.

(c) The rates of interest shall be as established by this section to assist municipalities in purchasing equipment upon terms more favorable than in the commercial market. Such rates shall be ~~no~~ not more than two percent per annum for a loan to a single municipality, and loans shall bear no interest charge if made to two or more municipalities purchasing equipment jointly.

(d) In any fiscal year, new loans from the Municipal Equipment Fund shall not exceed an aggregate of \$1,500,000.00. The Treasurer shall put forth recommendations to the General Assembly on a maximum loan amount every five years, commencing on January 15, 2028, based on requests received and loans granted pursuant to this chapter.

* * *

Sec. 76. 3 V.S.A. chapter 18 is amended to read:

CHAPTER 18. VT SAVES

* * *

§ 532. VT SAVES PROGRAM; ESTABLISHMENT

* * *

(c) Contributions.

(1) Unless otherwise specified by the covered employee, a covered employee shall automatically initially contribute five percent of the covered employee's ~~salary or~~ wages to the Program. A covered employee may elect to opt out of the Program at any time or contribute at any higher or lower rate, expressed as a percentage of ~~salary or~~ wages, or, as permitted by the Treasurer, expressed as a flat dollar amount, subject in all cases to the IRA contribution and eligibility limits applicable under the Internal Revenue Code at no additional charge.

(2) The Treasurer shall provide for, on a uniform basis, an annual increase of each active participant's contribution rate, by not less than one percent, but not more than eight percent, of ~~salary or~~ wages each year. Any such increases shall apply to active participants, including participants by

default with an option to opt out or participants who are initiated by affirmative participant election, provided that any increase is subject to the IRA contribution and eligibility limits applicable under the Internal Revenue Code.

* * *

§ 535. PENALTIES

(a) Failure to ~~enroll~~ comply. If a covered employer fails to ~~enroll~~ a covered employee be in compliance with this chapter without reasonable cause, the covered employer is subject to a penalty for each covered employee for each calendar year or portion of a calendar year during which the covered employee was not enrolled in the Program or had not opted out of participation in the Program. The amount of any penalty imposed on a covered employer for the failure to enroll a covered employee without reasonable cause is determined as follows:

* * *

(b) Waivers. The Treasurer is authorized to establish a rule waiving the penalty for a covered employer ~~for any failure to enroll a covered employee that fails to be in compliance with this chapter~~ for which it is established that the covered employer did not know that the failure existed and exercised reasonable diligence to meet the requirements of this chapter, provided that:

* * *

Sec. 77. 2023 Acts and Resolves No. 43, Sec. 2 is amended to read:

Sec. 2. VT SAVES; IMPLEMENTATION

(a) Subject to an appropriation from the General Assembly, the State Treasurer shall implement the VT Saves Program (Program), established in 3 V.S.A. chapter 18, ~~as follows: in stages as determined by the Treasurer, which may include phasing in the Program based on the size of employers or other factors.~~ The Program shall be implemented so that all covered employees will begin participation and make contributions on or before July 1, 2026

(1) ~~Beginning on July 1, 2025, all covered employers with 25 or more covered employees shall offer the Program to all covered employees.~~

(2) ~~Beginning on January 1, 2026, all covered employers with 15 to 24 covered employees shall offer the Program to all covered employees.~~

(3) ~~Beginning on July 1, 2026, all covered employers with five to 14 covered employees shall offer the Program to all covered employees.~~

(b) As used in this section, “covered employer” and “covered employee” have the same meanings as in 3 V.S.A. § 531.

Sec. 78. 17 V.S.A. § 2732(a) is amended to read:

(a) The electors shall meet at the State House on the first ~~Monday~~ Tuesday after the second Wednesday in December next following their election to vote for the President and Vice President of the United States, agreeably to the laws of the United States.

Sec. 79. 18 V.S.A. § 9435 is amended to read:

§ 9435. EXCLUSIONS

* * *

(g) With the approval of the Commissioner of Health, excluded from this subchapter is a facility in which the prescription, distribution, or administration of medication for opioid use disorder is a principal activity.

Sec. 80. 18 V.S.A. § 4772 is amended to read:

§ 4772. OPIOID SETTLEMENT ADVISORY COMMITTEE

* * *

(f) Meetings.

(1) The Commissioner of Health shall call the first meeting of the Advisory Committee to occur on or before June 30, 2022.

(2) The Advisory Committee shall meet at least quarterly but not more than ~~six~~ 12 times per calendar year.

(3) The Advisory Committee shall adopt procedures to govern its proceedings and organization, including voting procedures and how the staggered terms shall be apportioned among members.

(4) All meetings of the Advisory Committee shall be consistent with Vermont's Open Meeting Law pursuant to 1 V.S.A. chapter 5, subchapter 2.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Advisory 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 ~~six~~ 12 meetings per year. These payments shall be appropriated from the Opioid Abatement Special Fund.

(2) Other members of the Advisory Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than ~~six~~ 12 meetings per year. These payments shall be appropriated from the Opioid Abatement Special Fund.

Sec. 81. 27 V.S.A. § 1513 is amended to read:

§ 1513. PAYMENT OR DELIVERY OF PROPERTY TO ADMINISTRATOR

* * *

(f) If property reported to the Administrator under section 1491 of this title is virtual currency, the holder shall liquidate the virtual currency and remit the proceeds to the Administrator. The liquidation shall occur anytime within 30 days prior to the remittance. The owner of the property shall not have recourse against the holder or the Administrator to recover any gain in value that occurs after the liquidation of the virtual currency for property properly reported as set forth in this chapter.

(g) The Administrator shall establish procedures for the registration, issuance, method of delivery, transfer, and maintenance of securities delivered to the Administrator by a holder.

~~(g)~~(h) An issuer, holder, and transfer agent or other person acting under this section under instructions of and on behalf of the issuer or holder is not liable to the apparent owner for, and must be indemnified by the State against, a claim arising with respect to property after the property has been delivered to the Administrator.

~~(h)~~(i) A holder is not required to deliver to the Administrator a security identified by the holder as a ~~non-freely~~ nonfreely transferable security. If the Administrator or holder determines that a security is no longer a ~~non-freely~~ nonfreely transferable security, the holder shall deliver the security on the next regular date prescribed for delivery of securities under this chapter. The holder shall make a determination annually whether a security identified in a report filed under section 1491 of this title as a ~~non-freely~~ nonfreely transferable security is no longer a ~~non-freely~~ nonfreely transferable security.

Sec. 82. 20 V.S.A. § 3173 is amended to read:

§ 3173. MONETARY BENEFIT

(a) The survivors of emergency personnel who dies while in the line of duty or from an occupation-related illness may apply for a payment of ~~\$50,000.00~~ \$80,000.00 from the State.

(b) The State Treasurer shall disburse from the Special Fund established in section 3175 of this title the monetary benefit described in subsection (a) of this section and shall adopt necessary procedures for the disbursement of such funds.

Sec. 83. 16 V.S.A. § 1949 is amended to read:

§ 1949. POSTRETIREMENT ADJUSTMENTS TO RETIREMENT ALLOWANCES

(a) Postretirement adjustments to retirement allowance. On January 1 of each year, the retirement allowance of each beneficiary of the System who is in receipt of a retirement allowance for at least a one-year period as of December 31 in the previous year, and who meets the eligibility criteria set forth in this section, shall be adjusted by the amount described in subsection (d) of this section. In no event shall a beneficiary receive a negative adjustment to the beneficiary's retirement allowance.

(b) Calculation of net percentage increase. Each year, a determination shall be made of any increase or decrease, to the nearest one-tenth of a percent, in the Consumer Price Index for the month ending on June 30 of that year to the average of the Consumer Price Index for the month ending on June 30 of the previous year.

~~(1) Consumer Price Index; maximum and minimum amounts. Any increase or decrease in the Consumer Price Index shall be subject to adjustment so as to remain within the following maximum and minimum amounts:~~

~~(A) For Group A members and Group C members who are eligible for normal retirement or unreduced early retirement, or who are vested deferred, on or before June 30, 2022, the maximum amount of any increase or decrease utilized to determine the net percentage increase shall be five percent.~~

~~(B) For Group C members who are eligible for retirement and leave active service on or after July 1, 2022, the maximum amount of any increase or decrease utilized to determine the net percentage increase shall be four percent.~~

~~(2) Consumer Price Index; decreases. In the event of a decrease of the Consumer Price Index as of June 30 for the preceding year, there shall be no adjustment to the retirement allowance of a beneficiary for the subsequent year beginning on January 1; provided, however, that:~~

~~(A) such decrease shall be applied as an offset against the first subsequent year's increase of the Consumer Price Index up to the full amount of such increase; and~~

~~(B) to the extent that such decrease is greater than such subsequent year's increase, such decrease shall be offset in the same manner against two or more years of such increases, for up to but not exceeding five subsequent years of such increases, until fully offset.~~

~~(3)~~(2) Consumer Price Index; increases. ~~Subject to the maximum and minimum amounts set forth in subdivision (1) of this subsection, in~~ In the event of an increase in the Consumer Price Index, and provided there remains an increase following the application of any offset as in subdivision ~~(2)~~(1) of this subsection, that amount shall be identified as the net percentage increase and used to determine the members' postretirement adjustment as set forth in subsection (d) of this section.

(c) Eligibility for postretirement adjustment. In order for a beneficiary to receive a postretirement adjustment allowance, the beneficiary must meet the following eligibility requirements:

(1) ~~for~~ For any Group A or Group C member eligible for normal retirement, or who is vested deferred, on or before June 30, 2022, the member must be in receipt of a retirement allowance for at least 12 months prior to the January 1 effective date of any postretirement adjustment; ~~and~~.

(2) ~~for~~ For any Group C member who is first eligible for normal retirement and leaves active service on or after July 1, 2022, the member must be in receipt of a retirement allowance for at least 24 months prior to the January 1 effective date of any postretirement adjustment.

(3) Special rule for Group C early retirement. A Group C member in receipt of an early retirement allowance shall not receive a postretirement adjustment to the member's retirement allowance until such time as the member has reached normal retirement age, provided the member meets all eligibility criteria set forth in this subsection.

(d) Amount of postretirement adjustment. The postretirement adjustment for each member who meets the eligibility criteria set forth in subsection (c) of this section shall be as follows:

(1) the full amount of the net percentage increase calculated pursuant to subsection (b) of this section for all Group A members; ~~and~~, provided that:

(A) the net percentage increase following the application of any offset as provided in this section equals or exceeds one percent; and

(B) the maximum amount of any adjustment under this section shall be five percent; and

(2) one-half of the net percentage increase calculated pursuant to subsection (b) of this section for all Group C members;-, provided that:

(A) For Group C members eligible for normal retirement or who are vested deferred on or before June 30, 2022, the maximum amount of any adjustment under this section shall be five percent. An adjustment of less than one percent shall be assigned a value of one percent.

(B) For Group C members first eligible for normal retirement and who leave active service on or after July 1, 2022, the maximum amount of any adjustment under this section shall be four percent and the minimum amount shall be zero percent.

(e) As used in this section, “Consumer Price Index” ~~shall mean~~ means the Northeast Region Consumer Price Index for all urban consumers, designated as “CPI-U,” in the northeast region, as published by the U.S. Department of Labor, Bureau of Labor Statistics.

Sec. 84. 2023 Acts and Resolves No. 47, Sec. 36 is amended to read:

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, agreement or uses another legal mechanism, to ensure that, to the extent the home value has risen, the amount of the subsidy upon sale of the home, to the extent proceeds are available, the amount of the affordability subsidy either:

(i) remains with the home to offset the cost to future homebuyers;
or

(ii) is recaptured by the Agency upon sale of the home for use in a similar program to support affordable homeownership development; 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. 85. UNRESERVED EDUCATION FUNDS; VERMONT STATE TEACHERS' RETIREMENT SYSTEM APPROPRIATION

(a) In fiscal year 2024, notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, the amount of \$9,100,000 in Education Fund dollars reserved in 2023 Acts and Resolves No. 78, Sec. D.104(a) is unreserved, and the sum of \$9,340,000 in Education Fund dollars is appropriated to the Vermont Teachers' Retirement Fund, established in 16 V.S.A. § 1944, to fund the present value of modifications made to the postretirement adjustments allowance set forth in Sec. 89 of this act.

Sec. 86. TEMPORARY EMERGENCY HOUSING

(a) Beneficiaries of the emergency housing transition benefit that is set to conclude on April 1, 2024, pursuant to 2023 Acts and Resolves No. 81, Sec. 6, shall continue to receive the benefit through June 30, 2024.

(b) Temporary emergency housing required pursuant to subsection (a) of this section may be provided through the use of approved shelters, new unit generation, open units, or other appropriate shelter space.

(c) On or before the last day of each month from April 2024 through June 2024, the Agency of Human Services, or other relevant agency or department, shall continue submitting a substantially similar report to that due pursuant to 2023 Acts and Resolves No. 81, Sec. 6(b).

(d) Beginning on March 1, 2024, the Agency of Human Services shall not reimburse any licensed hotel or motel establishment more than the lowest advertised room rate and no more than \$80 a day per household to shelter a household experiencing homelessness unless the Commissioner of the Department for Children and Families issues an exception to reimburse a licensed hotel or motel establishment more than \$80 a day to shelter a household experiencing homelessness due to exigent circumstances.

(e) Beginning on March 1, 2024, the Agency of Human Services shall strictly enforce the following rules:

(1) Section 2650.1 of the Department for Children and Families, General Assistance (CVR 13-170-260);

(2) Department of Health, Licensed Lodging Establishment Rule (CVR 13-140-023); and

(3) Department of Public Safety, Vermont Fire and Building Safety Code (CVR 28-070-001).

(f)(1) Prior to June 1, 2024, the Agency of Human Services may work with either a shelter provider or a community housing agency to enter into a full facility lease or sales agreement with a hotel or motel provider. Any facility conversion under this section shall comply with the Office of Economic Opportunity's shelter standards.

(2) If the Agency determines that a contractual arrangement with a licensed hotel or motel operator to secure temporary emergency housing capacity is beneficial to improve the quality, cleanliness, and access to services for those households temporarily housed in the facility, the Agency shall be authorized to enter into such an agreement, provided, however, that in no event shall such an agreement cause a household to become unhoused.

(3) In no event shall an agreement under this subsection exceed a rate of \$80 per day per household.

Sec. 87. 2012 Acts and Resolves No. 71, Sec. 1, as amended by 2012 Acts and Resolves No. 143, Sec. 13, 2014 Acts and Resolves No. 189, Sec. 26, and 2017 Acts and Resolves No. 71, Sec. 24, is further amended to read:

Sec. 1. VERMONT STRONG MOTOR VEHICLE PLATES

(a) ~~Intent. It is the intent of this act to recognize all of those who have suffered losses because of the destruction brought by Tropical Storm Irene and the flooding of 2011, and to commemorate the contributions of the many who are helping to rebuild Vermont and to make it stronger. [Repealed.]~~

(b) Authority; accounting and reporting; bundles.

(1) ~~The department of motor vehicles (“department”)~~ Department of Motor Vehicles is authorized to design, manufacture or procure, and distribute one or more commemorative plates that include the text “Vermont Strong” in accordance with this section. ~~The department and Vermont Life magazine are~~ Department is authorized to sell commemorative plates individually or in conjunction with a bundled promotional item. ~~The department~~ Department may also authorize other persons to sell commemorative plates, provided that such persons are required to pay the ~~department~~ Department ~~\$25.00~~ \$35.00 per plate within 30 days ~~of~~ after receiving the plates from the ~~department~~ Department.

(2) ~~A~~ The Vermont Strong commemorative plate fund (the “fund”) Commemorative Plate Fund is established. ~~The fund~~ Fund shall be under the control of the ~~commissioner of motor vehicles~~ Commissioner of Motor Vehicles or designee, and shall consist of all receipts from the sales of Vermont Strong commemorative plates and bundled promotional items. ~~The commissioner~~ Commissioner shall account for all proceeds of sales of commemorative plates and bundled promotional items and all receipts into and disbursements from the ~~fund~~ Fund; shall track the number of plates and bundled promotional items distributed and sold; and shall track and collect payments owed for plates distributed. ~~The commissioner~~ Commissioner shall transfer funds from the ~~fund~~ Fund in accordance with subsection (d) of this section ~~no~~ not less often than once per month. ~~The department~~ Department shall report its accounting of ~~fund~~ Fund receipts and disbursements, plate inventory, and uncollected payments for plates distributed to the ~~joint fiscal committee at its November 2012 meeting~~ House and Senate Committees on Transportation and the Joint Fiscal Committee not later than May 1, 2024.

(c) Use. An approved Vermont Strong commemorative plate may be displayed on a motor vehicle registered in Vermont as a pleasure car or on a motor truck registered in Vermont for less than 26,001 pounds ~~(, but excluding vehicles registered under the International Registration Plan),~~ by covering the front registration plate with the commemorative plate any time from the effective date of this act. The regular front registration plate shall not be removed. The regular rear registration plate shall be in place and clearly visible at all times.

(d) Price and allocation of revenue.

(1) The retail price of the plate shall be ~~\$25.00~~ \$35.00, except that on or after July 1, ~~2016~~ 2026, plates may be sold by the Commissioner for \$5.00.

(2) Funds received from the sale of plates for \$5.00 shall be allocated to the Department; funds received from the sale of the plates for ~~\$25.00~~ \$35.00 shall be allocated as follows:

~~(1)(A)~~ (A) \$5.00 to the Department;

~~(2)(B)~~ (B) ~~\$18.00 to the Vermont Disaster Relief Fund~~ \$15.00 to the Vermont Community Foundation; and

~~(3)(C)~~ (C) ~~\$2.00 to the Vermont Foodbank~~ \$15.00 to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program.

(3) Funds received from the sale of bundled promotional items, less any costs to the Department for the purchase of the bundled promotional items, shall be allocated as follows:

(A) 50 percent to the Vermont Community Foundation; and

(B) 50 percent to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program.

(e) Funding. ~~The department of motor vehicles~~ Department of Motor Vehicles is authorized to obtain an advance from the Vermont Strong ~~commemorative plate fund~~ Commemorative Plate Fund in an amount to be determined by the ~~commissioner of motor vehicles~~ Commissioner of Motor Vehicles in anticipation of receipts from the administration of this section.

(f) Tax exemption. Sales of commemorative plates pursuant to this section shall be exempt from the sales and use tax established by 32 V.S.A. chapter 233.

Sec. 88. 2012 Acts and Resolves No. 71, Sec. 1, as amended by 2012 Acts and Resolves No. 143, Sec. 13, 2014 Acts and Resolves No. 189, Sec. 26, 2017 Acts and Resolves No. 71, Sec. 24, and Sec. 96 of this act is further amended to read:

Sec. 1. VERMONT STRONG MOTOR VEHICLE PLATES

(a) [Repealed.]

(b) Authority; accounting and reporting; ~~bundles~~.

(1) The Department of Motor Vehicles is authorized to design, manufacture or procure, and distribute one or more commemorative plates that include the text "Vermont Strong" in accordance with this section. The Department is authorized to sell commemorative plates ~~individually or in~~

~~conjunction with a bundled promotional item.~~ The Department may also authorize other persons to sell commemorative plates, provided that such persons are required to pay the Department \$35.00 per plate within 30 days after receiving the plates from the Department.

(2) The Vermont Strong Commemorative Plate Fund is established. The Fund shall be under the control of the Commissioner of Motor Vehicles, or designee, and shall consist of all receipts from the sales of Vermont Strong commemorative plates and bundled promotional items. The Commissioner shall account for all proceeds of sales of commemorative plates and bundled promotional items and all receipts into and disbursements from the Fund; shall track the number of plates and bundled promotional items distributed and sold; and shall track and collect payments owed for plates distributed. The Commissioner shall transfer funds from the Fund in accordance with subsection (d) of this section not less often than once per month. The Department shall report its accounting of Fund receipts and disbursements, plate inventory, and uncollected payments for plates distributed to the House and Senate Committees on Transportation and the Joint Fiscal Committee not later than May 1, 2024.

* * *

(d) Price and allocation of revenue.

(1) The retail price of the plate shall be \$35.00, except that on or after July 1, 2026, plates may be sold by the Commissioner for \$5.00.

(2) Funds received from the sale of plates for \$5.00 shall be allocated to the Department; funds received from the sale of the plates for \$35.00 shall be allocated as follows:

(A) \$5.00 to the Department; and

(B) ~~\$15.00~~ \$30.00 to the Vermont Community Foundation; and

~~(C) — \$15.00 to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program~~ General Fund for natural disaster relief.

(3) Funds received from the sale of bundled promotional items prior to the effective date of this section, less any costs to the Department for the purchase of the bundled promotional items, shall be allocated as follows:

(A) 50 percent to the Vermont Community Foundation; and

(B) 50 percent to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program.

* * *

(g) Bundled promotional items. The State shall not be involved with the sale of any bundled promotional items.

Sec. 89. FEDERAL EMERGENCY MANAGEMENT AGENCY
REPORTING AND OVERSIGHT

(a) The Secretary of Administration shall report to the Joint Fiscal Committee at each of its scheduled meetings in fiscal years 2024 and 2025 on funding received from the Federal Emergency Management Agency (FEMA) Public Assistance Program and associated emergency relief and assistance funds match for the damages due to the July 2023 flooding event. The report shall include:

(1) a projection of the total funding needs for the Federal Emergency Management Agency (FEMA) Public Assistance Program and to the extent possible, details about the projected funding by State agency or municipality;

(2) spending authority (appropriated and excess receipts) granted to date for the FEMA Public Assistance Program and the associated emergency relief and assistance funds match;

(3) information on any audit findings that may result in financial impacts to the State; and

(4) actual expenditures to date made from the spending authority granted and to the extent possible, details about the expended funds by State agency or municipality.

(b) Reports shall be posted on the legislative and administration websites after submission.

Sec. 90. 2010 Acts and Resolves No. 83, Sec. 2, as amended by 2013 Acts and Resolves No. 65, Sec. 1, 2016 Acts and Resolves No. 117, Sec. 2, and 2019 Acts and Resolves No. 5, Sec. 1, is further amended to read:

Sec. 2. CERTIFICATE OF NEED WORK GROUP; MORATORIUM

* * *

(d) Notwithstanding any other provision of law, no CON shall be granted for the offering of home health services, which includes hospice, or for a new home health agency during the period beginning on the effective date of this act and continuing through January 1, ~~2025~~ 2030, or until the General Assembly lifts the moratorium after considering a progress report on the Green Mountain Care Board's implementation of its health care reform initiatives and health planning function and how they relate to home health agencies, whichever occurs first; provided, however, that the moratorium established pursuant to this subsection shall not apply to a continuing care retirement

community that has been issued a certificate of authority or to a licensed home for persons who are terminally ill as defined in 33 V.S.A. § 7102.

* * *

Sec. 91. 2013 Acts and Resolves No. 65, Sec. 2, as amended by 2016 Acts and Resolves No. 117, Sec. 3 and 2019 Acts and Resolves No. 5, Sec. 2, is further amended to read:

Sec. 2. PERIODIC HEALTH PLANNING FUNCTION
PROGRESS REPORTS

For as long as the moratorium continues for certificates of need for the offering of home health services, as established in 2010 Acts and Resolves No. 83, Sec. 2 and as amended by 2013 Acts and Resolves No. 65, Sec. 1, 2016 Acts and Resolves No. 117, Sec. 2, 2019 Acts and Resolves No. 5, Sec. 1, and this act, the Green Mountain Care Board shall provide to the House Committees on Health Care and on Human Services and the Senate Committee on Health and Welfare any progress reports the Board generates on its implementation of its health care reform initiatives and health planning function and how they relate to home health agencies.

Sec. 92. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

* * *

(b) Notwithstanding subsection (a) of this section, an employer shall not pay an employee less than one and one-half times the regular wage rate for any work done by the employee in excess of 40 hours during a workweek. However, this subsection shall not apply to:

* * *

(8) Permanent employees of the Vermont General Assembly.

* * *

Sec. 93. 2023 Acts and Resolves No. 64, Sec. 3a. is amended to read:

Sec. 3a. APPROPRIATION; SCHOOL MEALS

The sum of ~~\$29,000,000.00~~ \$24,000,000 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.

Sec. 94. CARRYFORWARD AUTHORITY

(a) Notwithstanding any other provisions of law and subject to the approval of the Secretary of Administration, General, Transportation, Transportation

Infrastructure Bond, Education Fund, Clean Water Fund (21932), and Agricultural Water Quality Fund (21933) appropriations remaining unexpended on June 30, 2024 in the Executive Branch shall be carried forward and shall be designated for expenditure.

(b) Notwithstanding any other provisions of law, General Fund appropriations remaining unexpended on June 30, 2024 in the Legislative and Judicial Branches shall be carried forward and shall be designated for expenditure.

Sec. 95. EFFECTIVE DATES

(a) Notwithstanding 1 V.S.A. § 214, Sec. 72 (16 V.S.A. § 4025(b) amendment) is effective retroactively on July 1, 2023.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 20 (B.334.1 amendment) is effective retroactively on January 1, 2024.

(c) Notwithstanding 1 V.S.A. § 214, Sec. 87 (Vermont Strong license plates through passage) shall take effect retroactively on August 23, 2023.

(d) All other sections shall take effect on passage.

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.

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 pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Appropriations?, Senators Kitchel, Baruth, Lyons, Perchlik, Sears, Starr and Westman, moved to amend the proposal of amendment of the Committee on Appropriations, as follows:

First: By adding a new section to be Sec. 27a to read as follows:

Sec. 27a. 2023 Acts and Resolves No. 78, Sec. B.509 is amended to read:

Sec. B.509 Education - Afterschool Grant Program

Grants	<u>4,000,000</u>	<u>4,000,000</u>
Total	4,000,000	4,000,000
Source of funds		
Education fund <u>Special funds</u>	<u>4,000,000</u>	<u>4,000,000</u>
Total	4,000,000	4,000,000

Second: In Sec. 53, amending 2023 Acts and Resolves No. 78 Sec. D.101, by striking Sec. D.101(a)(1) and inserting in lieu thereof:

Sec. 53. 2023 Acts and Resolves No. 78, Sec. D.101 is amended to read:

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:

* * *

(E) the Fire Prevention/Building Inspection Special Fund (21901): \$1,500,000.00; and

(F) the Tax Computer System Modernization Fund (21909): \$3,600,000.00;

(G) the State Liability Insurance Fund (56200): \$9,500,000.00;

(H) the Emergency Relief and Assistance Fund (21555): \$17,250,000.00;

(I) the Act 250 Permit Fund (21260): \$120,300.00;

(J) the General Government Projects Fund (31100): \$139.24;

(K) the Protection Projects Fund (31200): \$1,180,584.31;

(L) the Natural Resources Projects Fund (31500): \$2,127,949.51;

(M) the Commerce and Community Development Projects Fund (31600): \$545,295.85; and

(N) the General Obligation Bonds Debt Service Fund (35100): \$71,202,993.00.

* * *

(2) From the Education Fund to:

(A) the Tax Computer System Modernization Fund (21909): \$1,300,000.00; and

(B) the Universal Afterschool and Summer Special Fund: \$2,836,982.94.

* * *

Third: By adding three new sections to be Secs. 94a–94c to read as follows:

Sec. 94a. UNIVERSAL AFTERSCHOOL AND SUMMER

(a) The Universal Afterschool and Summer Special Fund is created, to be managed by the Secretary of Education. The cannabis sales tax revenue shall be transferred to the Universal Afterschool and Summer Special Fund. The Secretary shall use the assets in the Fund as follows:

(1) To set up programs to support the expansion of universal afterschool and summer programs with a focus on underserved areas of the State.

(2) Cannabis sales tax revenue shall be used to support a mixed delivery system for afterschool and summer programming. Eligible recipients can be public, private, or nonprofit organizations.

(A) Grants may be used for technical assistance, program implementation, program expansion, program sustainability, and related costs.

(B) Funds may be used to directly target communities with low existing capacity to serve youth in afterschool and summer settings.

(C) The award of grants and any subsequent contract or written agreement issued pursuant to the award of a grant shall require the grantee to comply with 9 V.S.A. § 4502, regardless of whether the grantee meets the definition of a place of public accommodation under 9 V.S.A. § 4501(1).

(D) The Agency may use up to \$500,000.00 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 program.

(b) An Advisory Committee is created to support the Secretary of Education in administering the funds. The Agency will provide administrative and technical support to the Committee. The Committee is to be composed of:

- (1) State's Chief Prevention Officer;
- (2) DCF Commissioner or designee;
- (3) VDH Commissioner or designee;
- (4) DMH Commissioner or designee;
- (5) ANR Secretary or designee;
- (6) ACCD Secretary or designee;
- (7) Vermont Afterschool Executive Director or designee; and
- (8) a representative from the Governor's Office.

(c) 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. 94b. 32 V.S.A. chapter 207 is amended to read:

CHAPTER 207. CANNABIS EXCISE TAX AND CANNABIS
SALES TAX REVENUE

* * *

§ 7910. CANNABIS SALES TAX REVENUE; UNIVERSAL
AFTERSCHOOL AND SUMMER SPECIAL FUND

Revenue from the sales and use tax imposed by chapter 233 of this title on retail sales of cannabis or cannabis products in Vermont shall be deposited into the Universal Afterschool and Summer Special Fund.

Sec. 94c. REPEAL; AFTERSCHOOL AND SUMMER LEARNING
PROGRAMS

16 V.S.A § 4018 (afterschool and summer learning programs) is repealed.

Which was agreed to on a roll call, Yeas 18, Nays 10.

Senator Hashim 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, Champion, Chittenden, Collamore, Cummings, Ingalls, Kitchel, Lyons, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Weeks, Westman, Williams.

Those Senators who voted in the negative were: Clarkson, Gulick, Hardy, Harrison, Hashim, MacDonald, McCormack, Vyhovsky, Watson, White.

Those Senators absent and not voting were: Mazza, Wrenner.

Thereupon, the proposal of amendment of the Committee on Appropriations, as amended, was agreed to on a roll call, Yeas 21, Nays 8.

Senator Starr 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, Champion, Chittenden, Collamore, Cummings, Ingalls, Kitchel, Lyons, MacDonald, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Watson, Weeks, Westman, Williams, Wrenner.

Those Senators who voted in the negative were: *Clarkson, Gulick, Hardy, Harrison, Hashim, McCormack, Vyhovsky, White.

The Senator absent and not voting was: Mazza.

*Senator Clarkson explained her vote as follows:

“I vote no with great reluctance. The Chair of Senate Appropriations used the word Agony in association with this bill. I agree.

“The addition of the amendment and the diversion of this money from our local school districts into a Special Fund forces me to vote no.”

Thereupon, third reading of the bill was ordered.

Message from the House No. 15

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 43. Joint resolution relating to weekend adjournment on February 9, 2024.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, FEBRUARY 9, 2024

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

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.

Ada B. Allen of Craftsbury
Katharine Carbee of Middlesex
Brody Dussault of St. Johnsbury
Avery Howe of Williston
Gideon Kass of Montpelier
Stewart Lemnah of Stowe
Margaret Platzer of New Haven

Committee Relieved of Further Consideration; Bill Committed**H. 81.**

On motion of Senator Ram Hinsdale, the Committee on Economic Development, Housing and General Affairs was relieved of further consideration of House bill entitled:

An act relating to fair repair of agricultural equipment.

And the bill was committed to the Committee on Agriculture.

Bill Referred to Committee on Finance**S. 309.**

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

An act relating to miscellaneous changes to laws related to the Department of Motor Vehicles, motor vehicles, and vessels.

Joint Senate Resolution Referred**J.R.S. 44.**

Joint Senate resolution of the following title was offered, read the first time and is as follows:

By Senators Vyhovsky, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, McCormack, Perchlik, White, and Wrenner,

J.R.S. 44. Joint resolution declaring the increasing number of drug overdose deaths in Vermont to be a public health emergency.

Whereas, the use of drugs, especially opioids, in Vermont, regardless of whether the use originated with an initial prescription, an over-the-counter purchase, or the purchase of an unregulated drug, has led to an increasingly severe opioid-use crisis that has killed far too many Vermonters, and

Whereas, the victims are not only the individuals who die but also their families and friends, creating a broader human tragedy, and

Whereas, Department of Health (the Department) data reveals the severity of drug overdose deaths in Vermont, and

Whereas, the number of Vermonters who have perished due to drug overdoses, be they designated as accidental or undetermined, continues to accelerate, rising from 42 in 2010 to 264 in 2022 and representing a 500 percent increase over this time frame, and

Whereas, of these drug overdose deaths, those that involved an opioid grew from 37 in 2010 to 239 in 2022 (excluding those deaths deemed to be by suicide), and

Whereas, the opioids causing these deaths are now more toxic than in prior years, as fentanyl, a synthetic opioid that is 50 times more potent than heroin, was involved in 93 percent of the 2022 opioid overdose fatalities and, according to preliminary data, in 110 of the 115 drug overdose deaths recorded for the first six months of 2023, and

Whereas, other drugs contributing to overdose deaths in 2022 included cocaine (49 percent); heroin (nine percent); gabapentin (13 percent, up from two percent in 2021); methamphetamine (eight percent); and xylazine, which the FDA has only approved for veterinary use (28 percent, up from 13 percent in 2021), and

Whereas, 87 percent of opioid-based drug overdose deaths in 2022 involved at least two substances, and 25 percent involved four or more, and

Whereas, this rise in the number of drug overdose deaths is occurring despite the existence of extensive State and federally funded treatment services, and

Whereas, these services are clearly insufficient in reaching all individuals experiencing a substance use disorder because, according to a 2020 social autopsy, the Department documented that 76 percent of the Vermonters who had died from an accidental drug overdose had no known history of accessing treatment, and

Whereas, the severe problems associated with opioid-use disorder show no signs of abating, and the implementation of more effective solutions is an urgent imperative, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly declares the increasing number of drug overdose deaths in Vermont to be a public health emergency, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to Governor Philip B. Scott and to Commissioner of Health Dr. Mark Levine.

Thereupon, the President, in his discretion, treated the joint resolution as a bill and referred it to the Committee on Health and Welfare.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 839.

House bill entitled:

An act related to fiscal year 2024 budget adjustments.

Was taken up.

Thereupon, pending third reading of the bill, Senator Wrenner moved to amend the Senate proposal of amendment as follows:

First: By striking out Sec. 47 in its entirety and by inserting in lieu thereof a new Sec. 47 to read as follows:

Sec. 47. 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 78, Sec. C.115, is further 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) Up to \$1,000,000 shall be available for the retention of technical experts to assist the Public Safety Communications Task Force with the analysis and planning required by ~~Sec. C.112 of this act~~ 2023 Acts and Resolves No. 78, Sec. C.114 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) Up to \$4,500,000 shall be available to provide funding for pilot projects pursuant to ~~Sec. C.112(f), of this act~~ 2023 Acts and Resolves No. 78, Sec. C.114(f).

(3) Any remaining amounts not obligated pursuant to subdivisions (1) and (2) of this subsection (b) shall ~~be held in reserve~~ remain unobligated and unexpended 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~~ In order to extract the greatest value from the limited State and federal dollars currently available for public safety communications modernization, it is the intent of the General Assembly that all such funding is expended in an efficient and complementary manner. To that end, the Commissioner of Public Safety shall 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, to the greatest extent possible, the goals of a statewide public safety communications system developed by the Public Safety Communications Task Force. The Commissioner of Public Safety shall ~~consult with~~ promptly inform the Public Safety Communications Task Force as ~~the~~ federal parameters for expending the funds become available and as the Commissioner develops a and, if necessary, revises the plan to expend such funds. The Commissioner shall solicit recommendations from the Task Force regarding the plan, including any revisions to the plan, the implementation schedule, and specific expenditures Expenditures of the funds must be authorized by the Task Force. The Task Force shall only authorize an expenditure upon making a determination that such expenditure is in accordance with interim plans for the transition to statewide regional emergency communications and in a manner that ensures usefulness and integration with any not-yet completed plans required by 2023 Acts and Resolves No. 78, Sec. C.114. In addition, the Commissioner shall update the Joint Fiscal Committee on planned expenditures.

* * *

Second: By striking out Sec. 48 in its entirety and by inserting in lieu thereof a new Sec. 48 to read as follows:

Sec. 48. 2023 Acts and Resolves No. 78, Sec. C.114, is amended to read:

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~~ 11 members as follows:

(A) the Executive Director of the Enhanced 911 Board, ~~who shall serve as Co-Chair~~ or designee;

(B) the Commissioner of Public Safety or designee, ~~who shall serve as Co-Chair~~;

(C) ~~one~~ two municipal ~~official~~ officials 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 2022 Acts and Resolves No. 185;

(H) one sheriff appointed by the Vermont Sheriffs' Association;

(I) one regional emergency planner appointed by the Vermont Association of Planning and Development Agencies; and

(J) one representative appointed by the Vermont Communications Union District Association.

(3) At its initial organizational meeting ~~as an 11-member Task Force~~ the Task Force shall elect from among its members a chair and a vice chair. Meetings may be held at the call of ~~a Co-Chair~~ the 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~~ program manager and one or more ~~additional~~ consultants with relevant expertise in public safety communications technology, design, governance, law, and financing to assist with the requirements of this section. The program manager shall not be a direct competitor of the other consultants.

(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~~ May 15, 2025, 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~~ services 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~~ September 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~~ September 15, 2025. 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~~ in calendar year 2024.

(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~~ September 14, 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~~ September 15, 2025, 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.

(h) All activities described in this section are “information technology activities” as defined in 3 V.S.A. § 3301(b)(2) and, as such, are subject to the record keeping, strategic planning, and independent expert review requirements specified in 3 V.S.A. § 3303(b)-(d).

Which was disagreed to, on a roll call, Yea 1, Nays 29.

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

Roll Call

The Senator who voted in the affirmative were: Wrenner.

Those Senators who voted in the negative 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.

Thereupon, pending third reading of the bill, Senators Kitchel, Baruth, Lyons, Perchlik, Sears, Starr and Westman moved to amend the Senate proposal of amendment as follows:

First: In Sec. 39, amending 2023 Acts and Resolves No. 78, B.1100, in subsection (o) by striking out subdivision (11) in its entirety and inserting in lieu thereof the following:

(11) \$11,304,802 General Fund for emergency housing needs through the end of fiscal year 2024; and

Second: By striking out Sec. 86, temporary emergency housing, in its entirety and inserting in lieu thereof a new Sec. 86 to read as follows:

Sec. 86. TEMPORARY EMERGENCY HOUSING

(a) To the extent emergency housing is available, the Commissioner for Children and Families shall ensure that temporary emergency housing is provided through June 30, 2024 to households eligible for the General Assistance Emergency Housing Program, including beneficiaries of the emergency housing transition benefit that is set to conclude on April 1, 2024 and excluding those individuals who only qualify for temporary emergency housing pursuant to the Department’s adverse weather condition policy.

Participation pursuant to this subsection shall not be bound by day limit maximums and shall be subject to the following eligibility criteria:

(1) for beneficiaries of the emergency housing transition benefit, 2023 Acts and Resolves No. 81, Sec. 6, and Department for Children and Families, Emergency Housing Transition Benefit (EH-100), adopted under Secretary of State emergency rule filing number 23-E12 or any future identical emergency rule adopted by the Department; and

(2) for all other participants of the General Assistance Emergency Housing Program, excluding those individuals who only qualify for temporary emergency housing pursuant to the Department's adverse weather condition policy, Department for Children and Families, General Assistance (CVR 13-170-260) as amended by Department for Children and Families under Secretary of State emergency rule filing number 23-E11 or any future identical emergency rule adopted by the Department.

(b) Temporary emergency housing required pursuant to subsection (a) of this section may be provided through approved shelters, new unit generation, open units, licensed hotels or motels, or other appropriate shelter space. The Agency of Human Services shall, when available, prioritize temporary emergency housing at housing or shelter placements other than licensed hotels or motels.

(c) On or before the last day of each month from April 2024 through June 2024, the Agency of Human Services, or other relevant agency or department, shall continue submitting a substantially similar report to that due pursuant to 2023 Acts and Resolves No. 81, Sec. 6(b).

(d) For temporary emergency housing provided beginning on March 1, 2024 and thereafter, the Agency of Human Services shall not pay a licensed hotel or motel establishment more than the lowest advertised room rate and not more than \$80 a day per room to shelter a household experiencing homelessness. The Agency of Human Services may shelter a household in more than one licensed hotel or motel room depending on the household's size and composition.

(e) The Agency of Human Services shall apply the following rules:

(1) Section 2650.1 of the Department for Children and Families, General Assistance (CVR 13-170-260);

(2) Department of Health, Licensed Lodging Establishment Rule (CVR 13-140-023); and

(3) Department of Public Safety, Vermont Fire and Building Safety Code (CVR 28-070-001).

(f)(1) Prior to June 1, 2024, the Agency of Human Services may work with either a shelter provider or a community housing agency to enter into a full facility lease or sales agreement with a hotel or motel provider. Any facility conversion under this section shall comply with the Office of Economic Opportunity's shelter standards.

(2) If the Agency determines that a contractual arrangement with a licensed hotel or motel operator to secure temporary emergency housing capacity is beneficial to improve the quality, cleanliness, and access to services for those households temporarily housed in the facility, the Agency shall be authorized to enter into such an agreement; provided, however, that in no event shall such an agreement cause a household to become unhoused.

Third: By adding a new section to be Sec. 94d to read as follows:

Sec. 94d. 2023 Acts and Resolves No. 78, Sec. E.323.7 is amended to read as follows:

Sec. E.323.7 REACH AHEAD PILOT PROGRAM

* * *

(c) The incentive payments provided in subdivision (a)(4) of this section are reimbursements for past or future work expenses incurred by participating families.

Which were agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment, on a roll call, Yeas 25, Nays 3.

Senator Ram Hinsdale 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, Champion, Chittenden, Clarkson, Collamore, Cummings, Harrison, Ingalls, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: Gulick, Hashim, Vyhovsky.

Those Senators absent and not voting were: Hardy, Mazza.

Message from the House No. 16

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 666. An act relating to escrow deposit bonds.

H. 751. An act relating to expanding equal pay protections.

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

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

H.C.R. 148. House concurrent resolution recognizing February 14, 2024 as Recovery Day at the State House.

H.C.R. 149. House concurrent resolution designating February 16, 2024 as Outdoor Recreation Day at the State House.

H.C.R. 150. House concurrent resolution honoring Dr. David Winfield Butsch for a half century of meritorious medical, civic, and humanitarian leadership in Central Vermont and internationally.

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

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Rep. Whitman,

H.C.R. 148.

House concurrent resolution recognizing February 14, 2024 as Recovery Day at the State House.

By Reps. Dolan and others,

By Senators Clarkson, Bray, Brock, Cummings, Gulick, Harrison, Ram Hinsdale, White and Wrenner,

H.C.R. 149.

House concurrent resolution designating February 16, 2024 as Outdoor Recreation Day at the State House.

By Reps. Dolan and Goslant,

H.C.R. 150.

House concurrent resolution honoring Dr. David Winfield Butsch for a half century of meritorious medical, civic, and humanitarian leadership in Central Vermont and internationally.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, February 13, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 43.

TUESDAY, FEBRUARY 13, 2024

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.

Joint Senate Resolution Adopted on the Part of the Senate**J.R.S. 45.**

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. 45. Joint resolution relating to weekend adjournment on February 16, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, February 16, 2024, it be to meet again no later than Tuesday, February 20, 2024.

Committee Bill Introduced

Senate committee bill of the following title was introduced, read the first time, and, under the rule, placed on the Calendar for notice the next legislative day:

S. 311.

By the Committee on Economic Development, Housing and General Affairs,

An act relating to bringing everyone home.

Bills Referred

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

H. 666.

An act relating to escrow deposit bonds.

To the Committee on Economic Development, Housing and General Affairs.

H. 751.

An act relating to expanding equal pay protections.

To the Committee on Economic Development, Housing and General Affairs.

Senate Resolution Adopted

S.R. 15.

Senate resolution entitled:

Senate resolution relating to adoption of temporary Rule 44A.

Having been placed on the Calendar for action, was taken up and adopted.

Bill Committed

Pending entry on the Calendar for notice, on motion of Senator Ram Hinsdale, Senate bill entitled:

S. 311. An act relating to bringing everyone home.

Was committed to the Committee on Economic Development, Housing and General Affairs.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, February 14, 2024.

WEDNESDAY, FEBRUARY 14, 2024

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Rules Suspended; Bill Not Referred to Committee on Appropriations

S. 309

Appearing on the Calendar for notice, and, pending referral of the bill to the Committee on Appropriations pursuant to Senate Rule 31, Senator Kitchel moved that the rules be suspended and the Senate bill entitled:

An act relating to miscellaneous changes to laws related to the Department of Motor Vehicles, motor vehicles, and vessels.

Not be referred to the Committee on Appropriations pursuant to Senate Rule 31 (and thereby remain on the Calendar for action),

Which was agreed to.

Committee Relieved of Further Consideration; Bill Committed

S. 255.

On motion of Senator Hardy, the Committee on Government Operations was relieved of further consideration of Senate bill entitled:

An act relating to equity and public access at the Public Utility Commission.

And the bill was committed to the Committee on Natural Resources and Energy.

Appointment of Senate Member to Vermont Economic Progress Council

Pursuant to the provisions of 32 V.S.A. § 3325, the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Vermont Economic Progress Council for a term concluding January 8, 2025:

[Senator Chittenden]

Senator Harrison

Appointment of Senate Member 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

Senator Weeks

Adjournment

On motion of Senator Baruth, the Senate adjourned until ten o'clock and fifteen minutes in the forenoon on Thursday, February 15, 2024.

THURSDAY, FEBRUARY 15, 2024

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. 17

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 850. An act relating to transitioning education financing to the new system for pupil weighting.

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

Message from the House No. 18

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 849. An act relating to technical corrections for the 2024 legislative session.

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

Point of Privilege Journalized

During announcements, on a point of personal privilege, Senator Westman addressed the Chair, and on motion of Senator Chittenden, his remarks were ordered entered in the Journal, and are as follows:

“Mr. President:

“Today is the fifth anniversary of death of Jenna Tatro. Her story and her family's story is one of a family's love. The goal of the family and now of the Jenna's Promise community is to forward the larger conversation and to put recovery in front of all of us. Sometimes we need to be reminded that there are hundreds of people across the state who are successful in recovery. Some

of those are at Jenna's Promise itself. In Johnson, and in my community, the faces of those people are at the coffee shop, they are working. These people are struggling, and we see them every day and that face makes it easier for us to deal with the issues in front of us. I want to remind everybody, there is hope, and what they are doing is creating hope. The example of the Tatro family is one that should inspire all of us to ask ourselves, what can we do to help? How can we reduce the stigma surrounding abuse? How can we foster a community of support and understanding for individuals doing the work and working toward recovery. Today is an anniversary of love and hope. Love and hope out of tragedy.”

Bills Referred

House bills of the following titles were severally the first time and referred:

H. 849.

An act relating to technical corrections for the 2024 legislative session.

To the Committee on Government Operations.

H. 850.

An act relating to transitioning education financing to the new system for pupil weighting.

To the Committee on Finance.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, FEBRUARY 16, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Rick Swanson of Stowe.

Message from the House No. 19

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 563. An act relating to attempted auto theft.

H. 649. An act relating to the Vermont Truth and Reconciliation Commission.

In the passage 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. 45. Joint resolution relating to weekend adjournment on February 16, 2024.

And has adopted the same in concurrence.

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

H. 839. An act related to fiscal year 2024 budget adjustments.

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

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

Rep. Lanpher of Vergennes

Rep. Scheu of Middlebury

Rep. Wood of Waterbury.

Message from the House No. 20

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 247. An act relating to Vermont's adoption of the Occupational Therapy Licensure Compact.

H. 801. An act relating to approval of the adoption of the charter of the Town of Waterbury.

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

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

H.C.R. 151. House concurrent resolution commemorating the fifth anniversary of the death of Jenna Tatro and honoring the work of Jenna's Promise.

H.C.R. 152. House concurrent resolution recognizing March 13, 2024 as National K9 Veterans Day in Vermont.

H.C.R. 153. House concurrent resolution commemorating Molly Davies's transfer of 350 acres of land in the Town of Wheelock to the Nulhegan Band of the Coosuk Abenaki Nation.

H.C.R. 154. House concurrent resolution honoring Johnson Selectboard Chair Beth Foy for her public service as an outstanding municipal legislative leader.

H.C.R. 155. House concurrent resolution honoring Richard Angus Cawley for his devoted public service in the Town of Corinth.

H.C.R. 156. House concurrent resolution honoring Harry Roush for his four-plus decades of exceptional municipal public service in the Town of Washington.

H.C.R. 157. House concurrent resolution congratulating the Boyd Family Farm in Wilmington on the centennial of its current agricultural home.

H.C.R. 158. House concurrent resolution designating February 22, 2024 as Age Strong Vermont Day at the State House.

H.C.R. 159. House concurrent resolution congratulating the Vermont State Employees' Association on its 80th anniversary.

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

Committee of Conference Appointed

H. 839.

An act related to fiscal year 2024 budget adjustments.

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

Senator Kitchel
Senator Perchlik
Senator Westman

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

Bills Referred

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

H. 247.

An act relating to Vermont's adoption of the Occupational Therapy Licensure Compact.

To the Committee on Health and Welfare.

H. 563.

An act relating to criminal motor vehicle offenses involving unlawful trespass, theft, or unauthorized operation.

To the Committee on Judiciary.

H. 649.

An act relating to the Vermont Truth and Reconciliation Commission.

To the Committee on Government Operations.

H. 801.

An act relating to approval of the adoption of the charter of the Town of Waterbury.

To the Committee on Government Operations.

Bill Amended; Third Reading Ordered**S. 309.**

Senate committee bill entitled:

An act relating to miscellaneous changes to laws related to the Department of Motor Vehicles, motor vehicles, and vessels.

Having appeared on the Calendar for notice for one day, was taken up.

Senator Perchlik, for the Committee on Transportation, to which the bill was referred, reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Transporters * * *

Sec. 1. 23 V.S.A. § 4 is amended to read:

§ 4. DEFINITIONS

* * *

(8)(A)(i) "Dealer" means a person, partnership, corporation, or other entity engaged in the business of selling or exchanging new or used motor vehicles, snowmobiles, motorboats, or all-terrain vehicles. A dealer may, as part of or incidental to such business, repair such vehicles or motorboats, sell parts and accessories, or lease or rent such vehicles or motorboats. "Dealer" shall does not include a finance or auction dealer or a transporter.

(ii)(I) For a dealer in new or used cars or motor trucks, “engaged in the business” means having sold or exchanged at least 12 cars or motor trucks, or a combination thereof, in the immediately preceding year, or 24 in the two immediately preceding years.

(II) For a dealer in snowmobiles, motorboats, or all-terrain vehicles, “engaged in the business” means having sold or exchanged at least one snowmobile, motorboat, or all-terrain vehicle, respectively, in the immediately preceding year or two in the two immediately preceding years.

(III) For a dealer in trailers, semi-trailers, or trailer coaches, “engaged in the business” means having sold or exchanged at least one trailer, semi-trailer, or trailer coach in the immediately preceding year or a combination of two such vehicles in the two immediately preceding years. However, the sale or exchange of a trailer with a gross vehicle weight rating of 3,500 pounds or less shall be excluded under this subdivision (III).

(IV) For a dealer in motorcycles or motor-driven cycles, “engaged in the business” means having sold or exchanged at least one motorcycle or motor-driven cycle in the immediately preceding year or a combination of two such vehicles in the two immediately preceding years.

* * *

(42)(A) “Transporter” means:

(i) a person engaged in the business of delivering vehicles of a type required to be registered from a manufacturing, assembling, or distributing plant to dealers or sales agents of a manufacturer;

(ii) a person regularly engaged in the business of towing trailer coaches, owned by them or temporarily in their custody, on their own wheels over public highways, or towing office trailers owned by them or temporarily in their custody, on their own wheels over public highways;

(iii) a person regularly engaged and properly licensed for the short-term rental of “storage trailers” owned by them and who move these storage trailers on their own wheels over public highways;

(iv) a person regularly engaged in the business of moving modular homes over public highways;

(v) dealers, owners of motor vehicle auction sites, and automobile repair shop owners when engaged in the transportation of motor vehicles to and from their place of business for repair purposes; or

(vi) the following, provided that the transportation and delivery of motor vehicles is a common and usual incident to their business:

(I) persons towing overwidth trailers owned by them in connection with their business;

(II) persons whose business is the repossession of motor vehicles; ~~and~~

(III) persons whose business involves moving vehicles from the place of business of a registered dealer to another registered dealer, or between a motor vehicle auction site and a registered dealer or another motor vehicle auction site, leased vehicles to the lessor at the expiration of the lease, or vehicles purchased at the place of auction of an auction dealer to the purchaser; and

(IV) persons who sell or exchange new or used motor vehicles but who are not engaged in business as that phrase is defined in subdivision (8)(A)(ii) of this section.

* * *

Sec. 2. 23 V.S.A. § 491 is amended to read:

§ 491. TRANSPORTER APPLICATION; ELIGIBILITY; USE OF
TRANSPORTER PLATES

(a) A transporter may apply for and the Commissioner of Motor Vehicles, ~~in his or her~~ the Commissioner's discretion, may issue a certificate of registration and a general distinguishing number plate. Before a person may be registered as a transporter, ~~he or she~~ the person shall ~~present proof~~ self-certify the following on a form provided by the Commissioner:

(1) ~~of~~ compliance with section 800 of this title; and

(2) that ~~he or she~~ the person either owns or leases a permanent place of business located in this State where business will be conducted during regularly established business hours and the required records stored and maintained.

(b) When ~~he or she~~ a transporter displays ~~thereon~~ thereon ~~his or her~~ the transporter's registration plate, ~~a~~ the transporter or ~~his or her~~ the transporter's employee or contractor may transport a motor vehicle owned by the transporter, repossessed, or temporarily in the transporter's custody, and it shall be considered ~~to be~~ properly registered under this title. ~~Transporter's~~ A transporter's registration plates shall not be used for any other purposes and shall not be used by the holder of such number plates for personal purposes.

* * * Definition of All-Surface Vehicle * * *

Sec. 3. 23 V.S.A. § 4(80) is amended to read:

(80) An “all-surface vehicle” or “ASV” means any non-highway recreational vehicle, except a snowmobile, when used for cross-country travel on trails or on any one of the following or combination of the following: land, water, snow, ice, marsh, swampland, and natural terrain. An all-surface vehicle shall be designed for use both on land and in water, with or without tracks, shall be capable of flotation and shall be equipped with a skid-steering system, a sealed body, a fully contained cooling system, and ~~six or~~ up to eight tires designed to be inflated with an operating pressure not exceeding 10 pounds per square inch as recommended by the manufacturer. An all-surface vehicle shall have a net weight of 1,500 pounds or less, shall have a width of 75 inches or less, shall be equipped with an engine of not more than 50 horsepower, and shall have a maximum speed of not more than 25 miles per hour. An ASV when operated in water shall be considered to be a motorboat and shall be subject to the provisions of chapter 29, subchapter 2 of this title. An ASV operated anywhere except in water shall be subject to the provisions of chapter 31 of this title.

* * * Record Keeping * * *

Sec. 4. 23 V.S.A. § 117 is added to read:

§ 117. RECORD-KEEPING REQUIREMENTS; CERTIFICATES OF TITLE

(a) Original records. Original certificate of title records, including surrendered certificates of title and requests for salvage title, as issued pursuant to chapters 21 and 36 of this title, shall be maintained as an electronic image or electronic copy or other form of image, which allows for the tracing of anything for which the Department of Motor Vehicles issues a certificate of title, for a period of five years.

(b) Electronic format. Records of title shall be maintained in a format, determined by the Commissioner, that allows for the tracing of anything for which the Department of Motor Vehicles issues a certificate of title.

Sec. 5. 23 V.S.A. § 2017(c) is amended to read:

~~(c) The Commissioner shall maintain a record of all certificates of title issued and of all exempt vehicle titles issued 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 the Commissioner determines. The original records may be maintained on microfilm or electronic imaging pursuant to section 117 of this title.~~

Sec. 6. 23 V.S.A. § 2027(c) is amended to read:

~~(c) The Commissioner shall file and retain for five years every surrendered certificate of title so as to permit the tracing of title of the corresponding vehicles pursuant to section 117 of this title.~~

Sec. 7. 23 V.S.A. § 2092 is amended to read:

§ 2092. ISSUANCE OF SALVAGE TITLE

The Commissioner shall file and maintain in the manner provided in section ~~2017~~ 117 of this title each application received and when satisfied as to its genuineness and regularity and that the applicant is entitled to the issuance of a salvage certificate of title, shall issue a salvage certificate of title to the vehicle.

Sec. 8. 23 V.S.A. § 3810(b)(1) is amended to read:

(b)(1) The Commissioner shall maintain at ~~his or her central office~~ a record of all certificates of title issued by ~~him or her~~:

(A) ~~under a distinctive title number assigned to the vessel, snowmobile, or all-terrain vehicle;~~

(B) ~~under the identification number of the vessel, snowmobile, or all-terrain vehicle;~~

(C) ~~alphabetically, under the name of the owner; and, in the discretion of the Commissioner, by any other method he or she determines~~ the Commissioner pursuant to section 117 of this title.

Sec. 9. 23 V.S.A. § 3820(c) is amended to read:

(c) The Commissioner shall file and retain every surrendered certificate of title ~~for five years. The file shall be maintained so as to permit the tracing of title of the vessel, snowmobile, or all-terrain vehicle designated pursuant to section 117 of this title.~~

* * * Registration; Residents * * *

Sec. 10. 23 V.S.A. § 301 is amended to read:

§ 301. PERSONS REQUIRED TO REGISTER

(a) Residents, except as provided in chapter 35 of this title, shall annually register motor vehicles owned or leased for a period of more than 30 days and operated by them, unless currently registered in Vermont.

(b) Temporary residents and foreign partnerships, firms, associations, and corporations having a place of business in this State may annually register motor vehicles owned or leased for a period of more than 30 days and operated by them or an employee.

(c) Notwithstanding this section, a resident who has moved into the State from another jurisdiction shall register ~~his or her~~ the resident's motor vehicle within 60 days ~~of~~ after moving into the State. ~~A person~~

(d) An individual shall not operate a motor vehicle nor draw a trailer or semi-trailer on any highway unless such vehicle is registered as provided in this chapter. Vehicle owners who have apportioned power units registered in this State under the International Registration Plan are exempt from the requirement to register their trailers in this State.

(e) As used in this section:

(1) “Resident” means an individual living in the State who intends to make the State the individual’s place of domicile either permanently or for an indefinite number of years.

(2) “Temporary resident” means an individual living in the State for a particular purpose involving a defined period, including students, migrant workers employed in seasonal occupations, and individuals employed under a contract with a fixed term, provided that the motor vehicle will be used in the State on a regular basis.

Sec. 11. 23 V.S.A. § 303(a) is amended to read:

(a) The Commissioner or ~~his or her~~ the Commissioner’s duly authorized agent shall register a motor vehicle, trailer, or semi-trailer ~~when that is required or permitted to be registered in Vermont upon application therefor,~~ on a form prescribed by the Commissioner that is filed with the Commissioner, showing such motor vehicle to be properly equipped and in good mechanical condition, ~~is filed with him or her,~~ and accompanied by the required registration fee and evidence of the applicant’s ownership of the vehicle in such form as the Commissioner may reasonably require. Except for State or municipal vehicles, registrants and titled owners shall be identical.

* * * Weight Limitations on Low-Number Plates * * *

Sec. 12. 23 V.S.A. § 304(c) is amended to read:

(c) The Commissioner shall issue registration numbers 101 through 9999, which shall be known as reserved registration numbers, for pleasure cars, ~~motor trucks that are registered at the pleasure car rate~~ for less than 26,001 pounds, and motorcycles in the following manner:

* * *

(4) A person holding a reserved registration number on a pleasure car, a truck ~~that is registered at the pleasure car rate~~ for less than 26,001 pounds, or a motorcycle may be issued the same reserved registration number for the other authorized vehicle types, provided that the person receives ~~no~~ not more than one such plate or set of plates for each authorized vehicle type.

* * * License Plates; Registration; Prorated Refunds * * *

Sec. 13. 23 V.S.A. § 327 is amended to read:

§ 327. REFUND WHEN PLATES NOT USED

Subject to the conditions set forth in subdivisions ~~(1), (2), and (3)~~ (1)–(4) of this section, the Commissioner may cancel the registration of a motor vehicle, snowmobile, or motorboat when the owner returns to the Commissioner either the number plates, if any, or the registration certificate. Upon cancellation of the registration, the Commissioner shall notify the Commissioner of Finance and Management, who shall issue a refund as follows:

(1) For registrations ~~cancelled~~ cancelled prior to the beginning of the registration period, the refund is the full amount of the fee paid, less a charge of \$5.00.

(2) For registrations ~~cancelled~~ cancelled within 30 days ~~of~~ after the date of issue, the refund is the full amount of the fee paid, less a charge of \$5.00. The owner of a motor vehicle must prove to the Commissioner's satisfaction that the number plates have not been used or attached to a motor vehicle.

(3) For registrations ~~cancelled~~ cancelled prior to the beginning of the second year of a two-year registration period, the refund is one-half of the full amount of the two-year fee paid, less a charge of \$5.00.

(4) For registrations canceled prior to conclusion of a five-year registration period, the refund is as follows:

(A) four-fifths of the full amount of the five-year fee paid less a charge of \$5.00 if canceled prior to the beginning of the second year;

(B) three-fifths of the full amount of the five-year fee paid less a charge of \$5.00 if canceled prior to the beginning of the third year;

(C) two-fifths of the full amount of the five-year fee paid less a charge of \$5.00 if canceled prior to the beginning of the fourth year; and

(D) one-fifth of the full amount of the five-year fee paid less a charge of \$5.00 if canceled prior to the beginning of the fifth year.

* * * Tinted Windows * * *

Sec. 14. 23 V.S.A. § 1125 is amended to read:

§ 1125. OBSTRUCTING WINDSHIELDS; AND WINDOWS

(a) Prohibition. Except as otherwise provided in this section, ~~a person~~ an individual shall not operate a motor vehicle on which material or items have been painted or adhered on or over, or hung in back of, any transparent part of a motor vehicle windshield, vent windows, or side windows located

immediately to the left and right of the operator. The prohibition of this section on hanging items shall apply ~~only~~ to shading or tinting material or when a hanging item materially obstructs the driver's view.

(b) General exemptions. Notwithstanding subsection (a) of this section, a ~~person~~ an individual may operate a motor vehicle with material or items painted or adhered on or over, or hung in back of, the windshield, vent windows, or side windows:

(1) in a space not over four inches high and 12 inches long in the lower right-hand corner of the windshield;

(2) in such space as the Commissioner of Motor Vehicles may specify for location of any sticker required by governmental regulation;

(3) in a space not over two inches high and two and one-half inches long in the upper left-hand corner of the windshield;

(4) if the operator is a ~~person~~ an individual employed by the federal, State, or local government or a volunteer emergency responder operating an authorized emergency vehicle, who places any necessary equipment in back of the windshield of the vehicle, provided the equipment does not interfere with the operator's control of the driving mechanism of the vehicle;

(5) on a motor vehicle that is for sale by a licensed automobile dealer prior to the sale of the vehicle, in a space not over three inches high and six inches long in the upper left-hand corner of the windshield, and in a space not over four inches high and 18 inches long in the upper right-hand corner of the windshield; ~~or~~

(6) if the object is a rearview mirror; or is an electronic toll-collection transponder located either between the roof line and the rearview mirror post or behind the rearview mirror; or

(7) if the object is shading or tinting material and the visible light transmission of that shading or tinting material is not less than the level of visible light transmission required under 49 C.F.R. § 571.205, as amended.

(c) Medical exemption. The Commissioner may grant an exemption to the prohibition of this section upon application from a ~~person~~ an individual required for medical reasons to be shielded from the rays of the sun and who attaches to the application a document signed by a licensed physician or optometrist certifying that shielding from the rays of the sun is a medical necessity. The physician or optometrist certification shall be renewed every four years. However, when a licensed physician or optometrist has previously certified to the Commissioner that an applicant's condition is both permanent and stable, the exemption may be renewed by the applicant without submission

of a form signed by a licensed physician or optometrist. Additionally, the window shading or tinting permitted under this subsection shall be limited to the vent windows or side windows located immediately to the left and right of the operator. The exemption provided in this subsection shall terminate upon the transfer of the approved vehicle and at that time the applicable window tinting shall be removed by the seller. ~~Furthermore, if the material described in this subsection tears or bubbles or is otherwise worn to prohibit clear vision, it shall be removed or replaced.~~

(d) Rear side window obstructions. The rear side windows and the back window may be obstructed only if the motor vehicle is equipped on each side with a securely attached mirror, ~~which~~ that provides the operator with a clear view of the roadway in the rear and on both sides of the motor vehicle.

(e) Removal. Any shading or tinting material that is painted or adhered on or over, or hung in back of, the windshield, vent windows, or side windows in accordance with subdivision (b)(7) or subsection (c) of this section shall be removed if it tears, bubbles, or is otherwise worn to prohibit clear vision.

(f) Definition. As used in this section, “visible light transmission” means the amount of visible light that can pass through shading, tinting, or glazing material applied to or within the transparent portion of a window or windshield of a motor vehicle.

Sec. 15. LEGISLATIVE INTENT; TINTED WINDOWS

It is the intent of the General Assembly that a motor vehicle with shading or tinting material that is not allowed under 23 V.S.A. § 1125, as amended by Sec. 14 of this act, poses a danger to the individual operating the motor vehicle, any passengers in the motor vehicle, and other highway users and that such a motor vehicle shall fail the annual safety inspection required under 23 V.S.A. § 1222.

Sec. 16. RULEMAKING; PERIODIC INSPECTION MANUAL; TINTED WINDOWS; OUTREACH

(a) The Department of Motor Vehicles shall, unless extended by the Legislative Committee on Administrative Rules, adopt amendments to Department of Motor Vehicles, Inspection of Motor Vehicles (CVR 14-050-022) consistent with the legislative intent in Sec. 15 of this act to be effective not later than the effective date of Sec. 14 of this act. The amendments shall include what level of visible light transmission is required for windshields and the windows to the immediate right and left of the driver under 49 C.F.R. § 571.205 as of the effective date of the amendments.

(b) The Department of Motor Vehicles, in consultation with the Department of Public Safety, shall implement a public outreach campaign on

window tinting to provide information on the prohibitions and exceptions under 23 V.S.A. § 1125, as amended by Sec. 14 of this act, and the requirements of the Inspection of Motor Vehicles (CVR 14-050-022), with amendments adopted under the Administrative Procedure Act consistent with subsection (a) of this section, including what level of visible light transmission is currently required for windshields and the windows to the immediate right and left of the driver under 49 C.F.R. § 571.205. The Department of Motor Vehicles shall start to disseminate information as required under this subsection (b) not later than two months prior to the effective date of Sec. 14 of this act and shall disseminate information on window tinting through e-mail, bulletins, software updates, and the Department of Motor Vehicles' website.

* * * Rusted Brake Rotors; Safety Inspection * * *

Sec. 17. RUSTED BRAKE ROTORS; LEGISLATIVE INTENT;
BULLETIN; CONTACT INFORMATION FOR FAILURES

(a) Legislative intent. It is the intent of the General Assembly that:

(1) the Department of Motor Vehicles provide information on the existing definition of "rust" in Department of Motor Vehicles, Inspection of Motor Vehicles (CVR 14-050-022) (Periodic Inspection Manual), which is "a condition of any swelling, delamination, or pitting," to all inspection mechanics certified by the Commissioner of Motor Vehicles so there is consistency amongst inspection stations in how the Periodic Inspection Manual is interpreted and applied.

(2) that the presence of rust on brake rotors, by itself, does not constitute a failure for the purpose of the annual safety inspection required under 23 V.S.A. § 1222 and that the presence of rust that is temporary, also known as surface rust, which sometimes results from the vehicle being parked for a period of time, not be sufficient for a motor vehicle to fail inspection because such rust does not cause diminished braking performance that prevents a motor vehicle from adequately stopping.

(b) Bulletin. The Department of Motor Vehicles shall issue a clarifying administrative bulletin to all inspection mechanics certified by the Commissioner of Motor Vehicles that:

(1) details the rejection criteria for rotors and drums in the Periodic Inspection Manual;

(2) explains the difference between surface rust and rust that is considerable for purposes of determining if the rejection criteria are met, which requires that the existing rust be a condition of any swelling, delamination, or pitting; and

(3) provides information that an inspection mechanic should provide to the owner of a vehicle that fails inspection because of rusting on rotors and drums.

(c) Contact information. The Department of Motor Vehicles shall include how to contact the Department of Motor Vehicles with questions about the annual safety inspection and the Periodic Inspection Manual on all notices of failure issued by inspection mechanics certified by the Commissioner of Motor Vehicles.

* * * Emergency Warning Lamps and Sirens * * *

Sec. 18. 23 V.S.A. § 1251 is amended to read:

§ 1251. ~~SIRENS AND COLORED SIGNAL~~ EMERGENCY WARNING LAMPS; OUT-OF-STATE EMERGENCY AND RESCUE VEHICLES

(a) Prohibition. A motor vehicle shall not be operated upon a highway of this State equipped with any of the following:

(1) a siren or signal lamp colored other than amber unless either a permit authorizing this equipment the siren, issued by the Commissioner of Motor Vehicles, is carried in the vehicle or a permit is not required pursuant to section 1252 of this subchapter;

(2) an emergency warning lamp unless either a permit authorizing the emergency warning lamp, issued by the Commissioner, is carried in the vehicle or a permit is not required pursuant to section 1252 of this subchapter;

(3) a blue light of any kind unless either a permit authorizing the blue light, issued by the Commissioner, is carried in the vehicle or a permit is not required pursuant to section 1252 of this subchapter; or

(4) a lamp or lamps that is not an emergency warning lamp and provides a flashing light in a color other than amber.

(b) Permit transfer. A permit may be transferred following the same procedure and subject to the same time limits as set forth in section 321 of this title. The Commissioner may adopt additional rules as may be required to govern the acquisition of permits and the use pertaining to sirens and colored signal emergency warning lamps.

(b)(c) Exception for vehicles from another state. Notwithstanding the provisions of subsection (a) of this section, when responding to emergencies, law enforcement vehicles, ambulances, fire vehicles, or vehicles owned or leased by, or provided to, volunteer firefighters or rescue squad members that are registered or licensed by another state or province may use sirens and signal emergency warning lamps in Vermont, and a permit shall not be

required for such use, ~~as long as provided~~ the vehicle is properly permitted or otherwise permitted to use the sirens and emergency warning lamps without permit in its home state or province.

Sec. 19. 23 V.S.A. § 1252 is amended to read:

§ 1252. LAW ENFORCEMENT AND EMERGENCY SERVICES VEHICLES; ISSUANCE OF PERMITS FOR SIRENS OR COLORED EMERGENCY WARNING LAMPS, OR BOTH; USE OF AMBER LAMPS

(a) Law enforcement vehicles.

~~(1) When satisfied as to the condition and use of the vehicle, the Commissioner shall issue and may revoke, for cause, permits for sirens and colored signal lamps in the following manner~~ Law enforcement vehicles owned and operated by the government. The following are authorized for use, without permit, on all law enforcement vehicles owned or leased by the federal government, a municipality, the State, or the Vermont Criminal Justice Council:

~~(1)(A) Sirens, blue signal emergency warning lamps, or blue and white signal emergency warning lamps, or a combination thereof, may be authorized for all law enforcement vehicles owned or leased by a law enforcement agency, a certified law enforcement officer, or the Vermont Criminal Justice Council.~~

~~(B) A red signal emergency warning lamp or an a red and amber signal emergency warning lamp, or a combination thereof, may be authorized for all law enforcement vehicles owned or leased by a law enforcement agency, a certified law enforcement officer, or the Vermont Criminal Justice Council, provided that the Commissioner shall require the emergency warning lamp or lamps be is mounted so as to be visible primarily from the rear of the vehicle.~~

~~(C)(2) Law enforcement vehicles owned or leased by a certified law enforcement officer.~~

(A) When satisfied as to the condition and use of the vehicle, the Commissioner shall issue and may revoke, for cause, permits for sirens and emergency warning lamps in the following manner:

(i) sirens, blue emergency warning lamps, or blue and white emergency warning lamps, or a combination thereof; and

(ii) a red emergency warning lamp or a red and amber emergency warning lamp, provided that the emergency warning lamp is mounted so as to be visible primarily from the rear of the vehicle.

(B) No motor vehicle, other than one owned by the applicant, shall be issued a permit until the Commissioner has recorded the information regarding both the owner of the vehicle and the applicant for the permit.

(3) Law enforcement vehicles owned or leased by a certified constable.

(A) ~~If the applicant is a~~ The following are authorized for use, without permit, on all law enforcement vehicles owned or leased by a Vermont Criminal Justice Council certified constable, ~~the application shall be accompanied by a certification by the town clerk that the applicant is the duly elected or appointed constable and attesting that the town for a municipality that~~ has not voted to limit the constable's authority to engage in enforcement activities under 24 V.S.A. § 1936a: a red emergency warning lamp or a red and amber emergency warning lamp, provided that the emergency warning lamp is mounted so as to be visible primarily from the rear of the vehicle.

(B) A constable for a municipality that has voted to limit the constable's authority to engage in enforcement activities under 24 V.S.A. § 1936a shall not operate, in the course of the constable's elected duties, a motor vehicle with a siren or an emergency warning lamp.

(2)(b) Emergency services vehicles.

(1) Emergency services vehicles owned and operated by the government. The following are authorized for use, without permit, on all emergency services vehicles owned or leased by the federal government, a municipality, or the State:

(A) sirens and red emergency warning lamps or red and white emergency warning lamps; and

(B) a blue emergency warning lamp or a blue and amber emergency warning lamp provided that the emergency warning lamp is mounted so as to be visible primarily from the rear of the vehicle.

(2) Emergency services vehicles not owned and operated by the government.

(A) When satisfied as to the condition and use of the vehicle, the Commissioner shall issue and may revoke, for cause, permits for sirens and emergency warning lamps in the following manner:

(i) Sirens and red emergency warning lamps or red and white ~~signal~~ emergency warning lamps may be authorized for all ambulances and other emergency medical service (EMS) vehicles, vehicles owned or leased by a fire department, vehicles used solely in rescue operations, or vehicles owned or leased by, or provided to, volunteer firefighters and voluntary rescue squad members, including a vehicle owned by a volunteer's employer when the

volunteer has the written authorization of the employer to use the vehicle for emergency fire or rescue activities.

~~(B)(ii)~~ A blue signal emergency warning lamp or ~~an a blue and amber signal emergency warning lamp, or a combination thereof,~~ may be authorized for all EMS vehicles or vehicles owned or leased by a fire department, provided that the Commissioner shall require the emergency warning lamp or ~~lamps~~ be mounted so as to be visible primarily from the rear of the vehicle.

~~(3) [Repealed.]~~

~~(4)(B)~~ No motor vehicle, other than one owned by the applicant, shall be issued a permit until the Commissioner has recorded the information regarding both the owner of the vehicle and the applicant for the permit.

~~(5)(C)~~ Upon application to the Commissioner, the Commissioner may issue a single permit for all the vehicles owned or leased by the applicant.

~~(6) Sirens and (c)~~ Restored vehicles. A combination of one or more of red ~~or signal lamps,~~ red and white signal lamps, ~~or sirens and blue signal lamps,~~ or blue and white signal lamps may be authorized for restored emergency or enforcement vehicles used for exhibition purposes. Sirens and lamps authorized under this ~~subdivision~~ subsection may only be activated during an exhibition, such as a car show or parade.

~~(b)(d)~~ Amber signal lamps. Amber signal lamps shall be used on road maintenance vehicles, service vehicles, and wreckers and shall be used on all registered snow removal equipment when in use removing snow on public highways, and the amber lamps shall be mounted so as to be visible from all sides of the motor vehicle.

Sec. 20. 23 V.S.A. § 1254 is added to read:

§ 1254. EMERGENCY WARNING LAMP; DEFINITION

As used in sections 1251–1255 of this subchapter, “emergency warning lamp”:

(1) means a lamp or lamps that provide a flashing light to identify an authorized vehicle on an emergency mission that may be a rotating beacon or pairs of alternately or simultaneously flashing lamps; and

(2) does not include a lamp or lamps that provide an exclusively amber flashing light.

Sec. 21. 23 V.S.A. § 1255(b) is amended to read:

(b) All persons with motor vehicles equipped as provided in ~~subdivisions~~

~~subsections 1252(a)(1) and (2)(b) of this title subchapter shall use the sirens or colored-signal emergency warning lamps, or both, only in the direct performance of their official duties. When any person individual other than a law enforcement officer is operating a motor vehicle equipped as provided in subdivision subsection 1252(a)(1) of this title subchapter, the colored-signal emergency warning lamps shall be either removed, covered, or hooded. When any person individual other than an authorized emergency medical service vehicle operator, firefighter, or authorized operator of vehicles used in rescue operations is operating a motor vehicle equipped as provided in subdivision 1252(a)(2)(b) of this title subchapter, the colored-signal emergency warning lamps shall be either removed, covered, or hooded unless the operator holds a senior operator license.~~

Sec. 22. 23 V.S.A. § 4(1) is amended to read:

(1) “Authorized emergency vehicle” means a vehicle of a fire department, ~~police~~ law enforcement vehicle, public and private ambulance, and a vehicle to which a permit has been issued pursuant to ~~subdivision 1252(a)(1) or (2) equipped as provided in subsections 1252(a) and (b) of this title.~~

Sec. 23. 23 V.S.A. § 1050a(b) is amended to read:

(b) The driver of a vehicle shall yield the right of way to any authorized vehicle obviously and actually engaged in work upon a highway when the vehicle displays flashing lights meeting the requirements of subsection ~~1252(b)(d)~~ of this title.

* * * Child Restraint Systems * * *

Sec. 24. 23 V.S.A. § 1258 is amended to read:

§ 1258. CHILD RESTRAINT SYSTEMS; PERSONS INDIVIDUALS UNDER AGE 18 YEARS OF AGE

(a) No ~~person individual~~ shall operate a motor vehicle, other than a type I school bus, in this State upon a public highway unless every occupant under age 18 years of age is properly restrained in a federally approved child ~~passenger-restraining~~ restraint system as defined in 49 C.F.R. § 571.213, as may be amended, or a federally approved safety belt, as follows:

(1) ~~all children a child under the two years of age of one and all children weighing less than 20 pounds, regardless of age, shall be restrained in a rear-facing position, properly secured in a federally approved child-passenger restraining rear-facing child restraint system with a harness, which shall not be installed in front of an active air bag as those terms are defined in 49 C.F.R. § 571.213, as may be amended, until the child reaches the weight or height limit of the rear-facing child restraint system as set by the manufacturer;~~

~~(2) a child weighing more than 20 pounds, and who is one year of age or older and under the age of eight~~ five years, of age who is not properly secured in a federally approved rear-facing child restraint system in accordance with subdivision (1) of this subsection shall be restrained in a child passenger restraining system properly secured in a forward-facing federally approved child restraint system with a harness until the child reaches the weight or height limit of the child restraint system as set by the manufacturer; and

(3) a child under eight years of age who is not properly secured in a federally approved child restraint system in accordance with subdivision (1) or (2) of this subsection shall be properly secured in a booster seat, as defined in 49 C.F.R. § 571.213, as may be amended;

~~(4) a child eight through 17 under 18 years of age who is not properly secured in a federally approved child restraint system in accordance with subdivision (1), (2), or (3) of this subsection shall be restrained in a safety belt system or a child passenger restraining system;~~

(5) a child under 13 years of age shall always, if practical, ride in a rear seat of a motor vehicle; and

(6) no child shall be secured in a rear-facing child restraint system in the front seat of a motor vehicle that is equipped with an active passenger-side airbag unless the airbag is deactivated.

~~(b) A person~~ An individual shall not be adjudicated in violation of this section if:

(1) the motor vehicle is regularly used to transport passengers for hire, except a motor vehicle owned or operated by a child care facility;

(2) the motor vehicle was manufactured without safety belts; or

(3) the ~~person~~ individual has been ordered by an enforcement officer, a firefighter, or an authorized civil authority to evacuate ~~persons~~ individuals from a stricken area.

(c) The civil penalty for violation of this section shall be as follows:

(1) \$25.00 for a first violation;

(2) \$50.00 for a second violation; and

(3) \$100.00 for third and subsequent violations.

Sec. 25. CHILD RESTRAINT SYSTEMS; PUBLIC OUTREACH CAMPAIGN

(a) The Department of Health, in consultation with the State Highway Safety Office, shall implement a public outreach campaign on car seat safety

that builds upon the current Be Seat Smart program; utilizes materials on child safety prepared by the U.S. Department of Transportation, Traffic Safety Marketing; is consistent with the recommendations from the American Academy of Pediatrics in the Child Passenger Safety Policy Statement published in 2018; and educates Vermonters on 23 V.S.A. § 1258, as amended by Sec. 24 of this act.

(b) The public outreach campaign shall disseminate information on car seat safety through e-mail; a dedicated web page on car seat safety that is linked through the websites for the Agency of Transportation and the Department of Health; social media platforms; community posting websites; radio; television; and informational materials that can be printed and shall be made available to all pediatricians, obstetricians, and midwives licensed in the State and all Car Seat Inspection Stations in the State.

* * * Exempt Vehicle Title * * *

Sec. 26. 23 V.S.A. § 2001(15) is amended to read:

(15) “Title or certificate of title” means a written instrument or document that certifies ownership of a vehicle and is issued by the Commissioner or equivalent official of another jurisdiction. These terms do not include an exempt vehicle title authorized to be issued under subdivision 2013(a)(2) of this chapter.

Sec. 27. 23 V.S.A. § 2002(a)(1) is amended to read:

(1) for any certificate of title, including a salvage certificate of title, ~~or an exempt vehicle title, \$42.00;~~

Sec. 28. 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 that has been registered in Vermont and has not had a change in ownership since January 1, 2024.

Sec. 29. 23 V.S.A. § 2016 is amended to read:

§ 2016. COMMISSIONER TO CHECK IDENTIFICATION NUMBER

The Commissioner, upon receiving application for a first certificate of title ~~or exempt vehicle title~~, shall check the identification number of the vehicle shown in the application against the records of vehicles required to be maintained by section 2017 of this title and against the record of stolen and

converted vehicles required to be maintained by section 2084 of this title.

Sec. 30. 23 V.S.A. § 2021 is amended to read:

§ 2021. REFUSAL OF CERTIFICATE

The Commissioner shall refuse issuance of a certificate of title ~~or an exempt vehicle title~~ if any required fee is not paid or ~~if he or she~~ the Commissioner has reasonable grounds to believe that:

* * *

* * * Vessels * * *

* * * Fire Extinguishers * * *

Sec. 31. 23 V.S.A. § 3306 is amended to read:

§ 3306. LIGHTS AND EQUIPMENT

* * *

~~(c) Every motorboat, except a motorboat that is less than 26 feet in length, that has an outboard motor and an open construction, and is not carrying passengers for hire shall carry on board, fully charged and in good condition, U.S. Coast Guard approved hand portable fire extinguishers~~ U.S. Coast Guard-approved hand portable fire extinguishers that are unexpired, fully charged, and in both good and serviceable condition shall be carried on board every motorboat as follows:

(1) motorboats with no fixed fire extinguisher system in the machinery space and that are:

(A) less than 26 feet in length, not less than one extinguisher;

(B) 26 feet or longer, but less than 40 feet, not less than two extinguishers; and

(C) 40 feet or longer, not less than three extinguishers; and

(2) motorboats with a fixed fire extinguisher system in the machinery space and that are:

(A) less than 26 feet in length, no extinguishers required;

(B) 26 feet or longer but less than 40 feet, not less than one extinguisher; and

~~(B)~~(C) 40 feet or longer, not less than two extinguishers.

(d) Notwithstanding subsection (c) of this section, motorboats less than 26 feet in length, propelled by outboard motors, and not carrying passengers for hire need not carry portable fire extinguishers if the construction of the boats will not permit the entrapment of explosive or flammable gases or vapors.

(e)(1) The extinguishers referred to by this section are class B-I or 5-B extinguishers, but one class B-II or 20-B extinguisher may be substituted for two class B-I or 5-B extinguishers.

(2) Notwithstanding subdivision (1) of this subsection, motorboats with a model year between 1953 and 2017 with previously approved fire extinguishers that are not in compliance with the types identified in subdivision (1) of this subsection need not be replaced until such time as they are no longer in good and serviceable condition.

(e)(f) Every marine toilet on board any vessel operated on the waters of the State shall also incorporate or be equipped with a holding tank. Any holding tank or marine toilet designed so as to provide for an optional means of discharge to the waters on which the vessel is operating shall have the discharge openings sealed shut and any discharge lines, pipes, or hoses shall be disconnected and stored while the vessel is in the waters of this State.

(f)(g) Nothing in this section shall be construed to prevent the discharge of adequately treated wastes from any vessel operating under the provisions of a valid discharge permit issued by the Department of Environmental Conservation.

(g)(h) Motorboats operated on waters that the U.S. Coast Guard has determined to be navigable waters of the United States and therefore subject to the jurisdiction of the United States must have lights and other safety equipment as required by U.S. Coast Guard rules and regulations.

* * * Vermont Numbering Provisions * * *

Sec. 32. 23 V.S.A. § 3307(a) is amended to read:

(a) A motorboat is not required to have a Vermont number under this chapter if it is:

(1) already covered by a number in effect that has been awarded to it under federal law or a federally approved numbering system of another state if the boat has not been within the State for more than ~~90~~ 60 days;

(2) a motorboat from a country other than the United States if the boat has not been within the State for more than ~~90~~ 60 days;

* * *

* * * Commercial Driver's Licenses and Permits; * * *

* * * Prohibition on Masking or Diversion * * *

Sec. 33. 23 V.S.A. § 4122 is amended to read:

§ 4122. DEFERRING IMPOSITION OF SENTENCE; PROHIBITION ON MASKING OR DIVERSION

(a) ~~No judge or court, State's Attorney, or law enforcement officer~~ may utilize the provisions of 13 V.S.A. § 7041 or any other program to defer imposition of sentence or judgment if the defendant holds a commercial driver's license or was operating a commercial motor vehicle when the violation occurred and is charged with violating any State or local traffic law other than a parking violation.

(b) In accordance with 49 C.F.R. § 384.226, no court, State's Attorney, or law enforcement officer may mask or allow an individual to enter into a diversion program that would prevent a commercial learner's permit holder's or commercial driver's license holder's conviction for any violation, in any type of motor vehicle, of a state or local traffic control law other than parking, vehicle weight, or vehicle defect violations from appearing on the Commercial Driver's License Information System (CDLIS) driver record.

* * * Airbags * * *

Sec. 34. 13 V.S.A. § 2026 is amended to read:

§ 2026. INSTALLATION OF OBJECT IN LIEU OF AIR BAG

(a) No person shall knowingly:

(1) manufacture, import, distribute, offer for sale, sell, lease, transfer, install, or reinstall, or knowingly cause to be installed, or cause to be reinstalled; a counterfeit automobile supplemental restraint system component, a nonfunctional airbag, or

(1) an object in lieu of a vehicle air bag that was designed in accordance with the federal safety regulation an automobile supplement restraint system component, when the object does not comply with the requirements of 49 C.F.R. § 571.208, as amended, for the make, model, and year of a vehicle; or

(2) an inoperable vehicle air bag, knowing the air bag is inoperable install or reinstall as an automobile supplemental restraint system component anything that causes the diagnostic system for a motor vehicle to fail to warn the motor vehicle operator that an airbag is not installed or fail to warn the motor vehicle operator that a counterfeit automobile supplemental restraint system component or nonfunctional airbag is installed in the motor vehicle.

(b) A person who violates subsection (a) of this section shall be imprisoned for not more than three years or fined not more than \$10,000.00, or both.

(c) A person who violates subsection (a) of this section, and serious bodily injury, as defined in section 1021 of this title, or death results, shall be imprisoned for not more than 15 years or fined not more than \$10,000.00, or both.

(d) Subsection (a) of this section shall not apply to the sale, lease, transfer, installation, or reinstallation of an airbag in a motor vehicle exclusively used for law enforcement.

(e) As used in this section:

(1) “Airbag” means an inflatable restraint device for occupants of motor vehicles that is part of an automobile supplemental restraint system.

(2) “Automobile supplemental restraint system” means a passive inflatable crash protection system that a vehicle manufacturer designs to protect automobile occupants in the event of a collision in conjunction with a seat belt assembly, as defined in 49 C.F.R. § 571.209, and that consists of one or more airbags and all components required to ensure that each airbag:

(A) operates as designed in a crash; and

(B) meets federal motor vehicle safety standards for the specific make, model, and year of manufacture of the vehicle in which the airbag is installed.

(3) “Counterfeit automobile supplemental restraint system component” means a replacement component, including an airbag, for an automobile supplemental restraint system that without the authorization of a manufacturer, or a person that supplies parts to the manufacturer, displays a trademark that is identical or substantially similar to the manufacturer’s or supplier’s genuine trademark.

(4) “Install” and “reinstall” require the completion of installation work related to the automobile supplemental restraint system of a motor vehicle and either:

(A) for the motor vehicle to be returned to the owner or operator; or

(B) for the transfer of title for the motor vehicle.

(5) “Nonfunctional airbag” means a replacement airbag that:

(A) was previously deployed or damaged;

(B) has a fault that the diagnostic system for a motor vehicle detects once the airbag is installed;

(C) may not be sold or leased under 49 U.S.C. § 30120(j); or

(D) includes a counterfeit automobile supplemental restraint system component or other part or object that is installed for the purpose of misleading a motor vehicle owner or operator into believing that a functional airbag is installed.

(6) “Nonfunctional airbag” does not include an unrepaired deployed airbag or an airbag that is installed in a motor vehicle:

(A) that is a totaled motor vehicle, as defined in 23 V.S.A. § 2001(14); or

(B) for which the owner was issued a salvaged certificate of title pursuant to 23 V.S.A. § 2091 or a similar title from another state.

* * * Effective Dates * * *

Sec. 35. EFFECTIVE DATES

(a) Notwithstanding 1 V.S.A. § 214, this section and Sec. 28 (certificate of title exemptions; 23 V.S.A. § 2012) shall take effect retroactively on January 1, 2024.

(b) Secs. 14 and 15 (tinted windows; 23 V.S.A. § 1125) shall take effect on July 1, 2026.

(c) All other sections shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Chittenden, for the Committee on Finance, to which the bill was referred, reported that the bill ought to pass when so amended as recommended by the Committee on Transportation.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the Senate adopt the recommendation of amendment by the Committee on Transportation?, Senators Chittenden, Ingalls, Kitchel and Perchlik moved to amend the recommendation of the Committee on Transportation as follows:

In Sec. 19, 23 V.S.A. § 1252, by inserting a county, following “a municipality,” in subdivision (a)(1).

Which was agreed to.

Thereupon, the recommendation of amendment, as amended, was agreed to and third reading of the bill was ordered.

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

Burke, Alexander N. of Arlington - Superior Court Judge - November 17, 2023 to March 31, 2029.

Was confirmed by the Senate on a roll call, Yeas 26, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Weeks, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Brock, Mazza, Watson, Westman.

The nomination of

McManus, Susan Ann of Manchester - Superior Court Judge - November 17, 2023 to March 31, 2029.

Was confirmed by the Senate on a roll call, Yeas 27, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Weeks, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Mazza, Watson, Westman.

The nomination of

Spero, Navah C. of Richmond - Superior Judge - December 21, 2023 to March 31, 2029.

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, Hashim, Ingalls, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Weeks, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Mazza, Watson, Westman.

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. Noyes and Carpenter,

By Senator Westman,

H.C.R. 151.

House concurrent resolution commemorating the fifth anniversary of the death of Jenna Tatro and honoring the work of Jenna's Promise.

By Reps. Roberts and others,

By Senators Collamore, Hardy, Harrison, Hashim, Norris, Sears and Wrenner,

H.C.R. 152.

House concurrent resolution recognizing March 13, 2024 as National K9 Veterans Day in Vermont.

By Reps. Roberts and others,

H.C.R. 153.

House concurrent resolution commemorating Molly Davies's transfer of 350 acres of land in the Town of Wheelock to the Nulhegan Band of the Coosuk Abenaki Nation.

By Reps. Noyes and Carpenter,

By Senator Westman,

H.C.R. 154.

House concurrent resolution honoring Johnson Selectboard Chair Beth Foy for her public service as an outstanding municipal legislative leader.

By Reps. Demrow and Priestley,

By Senator MacDonald,

H.C.R. 155.

House concurrent resolution honoring Richard Angus Cawley for his devoted public service in the Town of Corinth.

By Rep. Demrow,

By Senator MacDonald,

H.C.R. 156.

House concurrent resolution honoring Harry Roush for his four-plus decades of exceptional municipal public service in the Town of Washington.

By Reps. Roberts and others,

H.C.R. 157.

House concurrent resolution congratulating the Boyd Family Farm in Wilmington on the centennial of its current agricultural home.

By Reps. Noyes and others,

H.C.R. 158.

House concurrent resolution designating February 22, 2024 as Age Strong Vermont Day at the State House.

By Reps. Oliver and others,

H.C.R. 159.

House concurrent resolution congratulating the Vermont State Employees' Association on its 80th anniversary.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, February 20, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 45.

TUESDAY, FEBRUARY 20, 2024

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.

Rules Suspended; Bill Committed**S. 311.**

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to bringing everyone home.

Was committed to the Committee on Natural Resources and Energy with the report of the Committee on Economic Development, Housing and General Affairs *intact*.

Bill Referred to Committee on Appropriations**H. 850.**

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 transitioning education financing to the new system for pupil weighting.

Joint Senate Resolution Adopted on the Part of the Senate**J.R.S. 46.**

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. 46. Joint resolution regarding weekend adjournment on February 23, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, February 23, 2024, it be to meet again no later than Tuesday, February 27, 2024.

Bill Amended; Bill Passed**S. 309.**

Senate bill entitled:

An act relating to miscellaneous changes to laws related to the Department of Motor Vehicles, motor vehicles, and vessels.

Was taken up.

Thereupon, pending third reading of the bill, Senator Hardy moved to amend the bill in Sec. 31, 23 V.S.A. § 3306, by striking out subdivisions (c)(1) and (2) in their entireties and inserting in lieu thereof the following:

(1) motorboats with no fixed fire extinguisher system in the machinery space and that are:

(A) less than 26 feet in length, not fewer than one extinguisher;

(B) 26 feet or longer, but less than 40 feet, not fewer than two extinguishers; and

(C) 40 feet or longer, not fewer than three extinguishers; and

(2) motorboats with a fixed fire extinguisher system in the machinery space and that are:

(A) less than 26 feet in length, no extinguishers required;

(B) 26 feet or longer but less than 40 feet, not fewer than one extinguisher; and

~~(B)~~(C) 40 feet or longer, not fewer than two extinguishers.

Which was agreed to.

Thereupon, the bill was read the third time and passed.

Third Reading Ordered

H. 849.

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

An act relating to technical corrections for the 2024 legislative session.

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.

Message from the House No. 21

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 154. An act relating to the Vermont State Plane Coordinate System.

And has passed the same in concurrence.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, February 21, 2024.

WEDNESDAY, FEBRUARY 21, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Kenzan of East Calais.

Bill Referred to Committee on Finance**H. 554.**

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

An act relating to approval of the adoption of the charter of the Town of South Hero.

**Message from the Governor
Appointments Referred**

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointments, which were referred to committees as indicated:

Bordeau, Christina Marie of South Burlington - Member of the Community High School of Vermont Board - from November 1, 2023 to February 29, 2024.

To the Committee on Education.

Schmidt, Len of Brandon - Member of the Community High School of Vermont Board - from November 1, 2023 to February 28, 2025.

To the Committee on Education.

Hulburd, Julie of Colchester - Member of the Cannabis Control Board - from November 1, 2023 to February 28, 2026.

To the Committee on Government Operations.

Handfield, Steve of Poultney - Member of the Current Use Advisory Board - from November 14, 2023 to January 31, 2026.

To the Committee on Natural Resources and Energy.

Tucker, Scott of Clarendon - Member of the Board of Medical Practice - from November 15, 2023 to February 28, 2027.

To the Committee on Health and Welfare.

King, Patricia A. of Burlington - Member of the Board of Medical Practice - from January 1, 2024 to February 29, 2028.

To the Committee on Health and Welfare.

Snedeker, David of St. Johnsbury - Member of the State Infrastructure Bank Board - from January 15, 2024 to February 28, 2025.

To the Committee on Finance.

Foley, Mark of Rutland - Member of the Vermont Municipal Bond Bank - from February 1, 2024 to January 31, 2026.

To the Committee on Finance.

Winters, Deborah of Swanton - Member of the Vermont Municipal Bond Bank - from February 1, 2024 to January 31, 2026.

To the Committee on Finance.

McSoley, John of Essex Junction - Member of the Vermont Municipal Bond Bank - from January 1, 2024 to January 31, 2025.

To the Committee on Finance.

Bill Passed in Concurrence

H. 849.

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

An act relating to technical corrections for the 2024 legislative session.

**Rules Suspended; Immediate Consideration; Third Reading Ordered;
Rules Suspended; Bill Passed in Concurrence; Rules Suspended; Bill
Messaged; Bill Ordered Delivered**

H. 850.

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

An act relating to transitioning education financing to the new system for pupil weighting.

Was taken up for immediate consideration.

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence.

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported recommending 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 Baruth, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence.

Thereupon, the bill was read the third time and passed in concurrence.

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

Thereupon, on motion of Senator Baruth, the bill was ordered to the Governor forthwith, pursuant to Joint Rule 15.

Adjournment

On motion of Senator Baruth, the Senate adjourned until three o'clock in the afternoon on Friday, February 23, 2024.

FRIDAY, FEBRUARY 23, 2024

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having arrived, the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 22

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on February 20, 2024, he approved and signed a bill originating in the House of the following title:

H. 599. An act relating to retroactively reinstating 10 V.S.A. § 6081(b).

Message from the House No. 23

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 543. An act relating to Vermont's adoption of the Social Work Licensure Compact.

In the passage 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. 46. Joint resolution regarding weekend adjournment on February 23, 2024.

And has adopted the same in concurrence.

Message from the House No. 24

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

Mr. President:

I am directed to inform the Senate that:

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

H.C.R. 160. House concurrent resolution in memory of veteran Pownal firefighter Kenneth Carlton O'Dell.

H.C.R. 161. House concurrent resolution honoring Newport City Council Chair John Wilson for his national and municipal public service.

H.C.R. 162. House concurrent resolution honoring Sergeant at Arms Janet Miller for her stellar public service for the General Assembly.

H.C.R. 163. House concurrent resolution recognizing Public Schools Week in Vermont.

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

The Governor has informed the House that on February 22, 2024, he approved and signed a bill originating in the House of the following title:

H. 850. An act relating to transitioning education financing to the new system for pupil weighting.

Bills Referred to Committee on Appropriations

Senate 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 severally referred to the Committee on Appropriations:

S. 163. An act relating to establishing two Superior judge positions.

S. 192. An act relating to forensic facility admissions criteria and processes.

S. 213. An act relating to the regulation of wetlands, river corridor development, and dam safety.

Adjournment

At 3:15 P.M. in the afternoon and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until nine o'clock and thirty minutes in the forenoon on Tuesday, February 27, 2024 pursuant to J.R.S. 46.

TUESDAY, FEBRUARY 27, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Joan Javier-Duval of Montpelier.

Pledge of Allegiance

The President then led the members of the Senate in the pledge of allegiance.

Joint Senate Resolution Placed on Calendar**J.R.S. 47.**

Joint Senate resolution of the following title was offered, read the first time and is as follows:

J.R.S. 47. Joint resolution providing for a Joint Assembly to vote on the retention of two Superior Judges and one Magistrate.

Whereas, declarations have been submitted by the following two Superior Judges that they be retained for another six-year term, Judge John R. Treadwell, and Judge Lisa A. Warren and one Magistrate that he be retained for another six year term, Magistrate Barry E. Peterson, and

Whereas, the procedures of the Joint Committee on Judicial Retention require at least one public hearing and the review of information provided by each candidate and the comments of members of the Vermont bar and the public, and

Whereas, Subsection 608(b) of Title 4, requires the Committee to complete its evaluation of judicial performance of the candidates seeking to be retained in office by March 7, 2024, and subsection 10(b) of Title 2 requires a vote in Joint Assembly to be held on March 14, 2024, and

Whereas, subsection 608(g) of Title 4 permits the General Assembly to defer action on the retention of judges to a subsequent Joint Assembly when the Committee is not able to make a timely recommendation, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the two Houses meet in Joint Assembly on Tuesday, March 26, 2024, at ten o'clock and thirty minutes in the forenoon to vote on the retention of two Superior Judges and one Magistrate.

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was placed on the Calendar for action the next legislative day.

Bill Referred

House bill of the following title was read the first time and referred:

H. 543.

An act relating to Vermont's adoption of the Social Work Licensure Compact.

To the Committee on Health and Welfare.

Bill Amended; Third Reading Ordered

S. 199.

Senator Brock, for the Committee on Finance, to which was referred Senate bill entitled:

An act relating to mergers and governance of communications union districts.

Reported recommending that the bill be amended by striking out Sec. 4, 30 V.S.A. § 3069, in its entirety and by inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. 30 V.S.A. § 3069 is amended to read:

§ 3069. TREASURER

The treasurer of the district shall be appointed by the board, and shall serve at its pleasure. The treasurer shall not be a member of the governing board. The treasurer shall have the exclusive charge and custody of the funds of the district and shall be the disbursing officer of the district. When authorized by the board, the treasurer may sign, make, or endorse in the name of the district all checks and orders for the payment of money and pay out and disburse the same and receipt therefor. The treasurer shall keep a record of every obligation issued and contract entered into by the district and of every payment thereon. The treasurer shall keep correct books of account of all the business and transactions of the district and such other books and accounts as the board may require. The treasurer shall render a statement of the condition of the finances of the district at each regular meeting of the board and at such other times as shall be required of the treasurer. The treasurer shall prepare the annual financial statement and the budget of the district for distribution, upon approval of the board, to the legislative bodies of district members. The treasurer shall do and perform all of the duties appertaining to the office of treasurer of a body politic and corporate. The treasurer may delegate authority to perform any or all of the duties described in this section, provided such delegation is approved by the board or authorized in the district's bylaws, and further provided the treasurer retains accountability and oversight authority for any such delegations. Upon removal or the treasurer's termination from office by virtue of removal or resignation, the treasurer shall immediately pay over to the successor all of the funds belonging to the district and at the same time deliver to the successor all official books and papers.

And that when so amended the bill ought to pass.

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

Thereupon, pending the question, Shall the bill be read a third time?, Senators Hardy, Clarkson, Norris, Vyhovsky and Watson moved to amend the bill by striking out Sec. 3, 30 V.S.A. § 3060, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. 30 V.S.A. § 3060 is amended to read:

§ 3060. ORGANIZATIONAL MEETING

Annually, on the second Tuesday in May following the appointments contemplated in section 3059 of this chapter or on a date specified in the district's bylaws, the board shall hold its organizational meeting. At such meeting, the board shall elect from among its appointed representatives a chair

and a vice chair, each of whom shall hold office for one year and until ~~his or her~~ a successor is duly elected. The board's initial organizational meeting shall be held within 90 days of following the vote to form a district under subsection 3051(b) of this title.

Which was agreed to and third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 278.

Senator Vyhovsky, for the Committee on Judiciary, to which was referred Senate bill entitled:

An act relating to contributory negligence in a civil action involving sexual assault.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 12 V.S.A. § 1036 is amended to read:

§ 1036. COMPARATIVE NEGLIGENCE

(a) Contributory Comparative negligence shall not bar recovery in an action by any plaintiff, or ~~his or her~~ the plaintiff's legal representative, to recover damages for negligence resulting in death, personal injury, or property damage, if the negligence was not greater than the causal total negligence of the defendant or defendants, but the damage shall be diminished by general verdict in proportion to the amount of negligence attributed to the plaintiff. Where recovery is allowed against more than one defendant, each defendant shall be liable for that proportion of the total dollar amount awarded as damages in the ratio of the amount of ~~his or her~~ the defendant's causal negligence to the amount of causal negligence attributed to all defendants against whom recovery is allowed.

(b) Comparative negligence shall be prohibited as a defense to limit a plaintiff's recovery for damages in an action for a negligence claim relating to a sexual act as defined in 13 V.S.A. § 3251 or sexual conduct as defined in 13 V.S.A. § 2821.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

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

“An act relating to prohibiting a comparative negligence defense in an action for a negligence claim relating to a sexual act or sexual conduct.”

And that when so amended the bill ought to pass.

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

Message from the House No. 25

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 132. An act relating to prohibiting discrimination against persons without homes.

H. 745. An act relating to the Vermont Parentage Act.

H. 861. An act relating to reimbursement parity for health care services delivered in person, by telemedicine, and by audio-only telephone.

In the passage 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. 10. Senate concurrent resolution honoring Waterville Town Clerk and Treasurer Nancy LaRose for her exemplary municipal public service.

And has adopted the same in concurrence.

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 Senator Westman,

By Rep. Boyden,

S.C.R. 10.

Senate concurrent resolution honoring Waterville Town Clerk and Treasurer Nancy LaRose for her exemplary municipal public service.

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. Brownell and Morrissey,

By Senators Campion and Sears,

H.C.R. 160.

House concurrent resolution in memory of veteran Pownal firefighter Kenneth Carlton O'Dell.

By Reps. Page and others,

By Senators Ingalls and Starr,

H.C.R. 161.

House concurrent resolution honoring Newport City Council Chair John Wilson for his national and municipal public service.

By All Members of the House,

By All Members of the Senate,

H.C.R. 162.

House concurrent resolution honoring Sergeant at Arms Janet Miller for her stellar public service for the General Assembly.

By Reps. Stone and others,

H.C.R. 163.

House concurrent resolution recognizing Public Schools Week in Vermont.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, February 28, 2024.

WEDNESDAY, FEBRUARY 28, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Caryne A. Eskridge of Weybridge.

Bills Referred

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

H. 132.

An act relating to prohibiting discrimination against persons without homes.

To the Committee on Economic Development, Housing and General Affairs.

H. 745.

An act relating to the Vermont Parentage Act.

To the Committee on Judiciary.

H. 861.

An act relating to reimbursement parity for health care services delivered in person, by telemedicine, and by audio-only telephone.

To the Committee on Finance.

Proposed Amendment to the Vermont Constitution Recommended

Appearing on the Calendar for action, on motion of Senator Baruth, a proposal of amendment to the Vermont Constitution entitled:

Prop 1. Elections; sheriffs; qualifications.

Was recommended to the Committee on Government Operations.

Bill Amended; Third Reading Ordered**S. 209.**

Senator Baruth, for the Committee on Judiciary, to which was referred Senate bill entitled:

An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers, and to juvenile offenses in the Criminal Division.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. chapter 85 is amended to read:

CHAPTER 85. WEAPONS

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Subchapter 4. Unserialized Firearms and Firearms Frames and Receivers§ 4081. SHORT TITLE

This subchapter shall be known as the "Vermont Ghost Guns Act."

§ 4082. DEFINITIONS

As used in this subchapter:

(1) “Federal firearms licensee” means a federally licensed firearm dealer, federally licensed firearm importer, and federally licensed firearm manufacturer.

(2) “Federally licensed firearm dealer” means a licensed dealer as defined in 18 U.S.C. § 921(a)(11).

(3) “Federally licensed firearm importer” means a licensed importer as defined in 18 U.S.C. § 921(a)(9).

(4) “Federally licensed firearm manufacturer” means a licensed manufacturer as defined in 18 U.S.C. § 921(a)(10).

(5) “Fire control component” means a component necessary for the firearm to initiate, complete, or continue the firing sequence, including any of the following: hammer, bolt, bolt carrier, breechblock, cylinder, trigger mechanism, firing pin, striker, or slide rails.

(6) “Frame or receiver of a firearm” means a part of a firearm that, when the complete firearm is assembled, is visible from the exterior and provides housing or a structure designed to hold or integrate one or more fire control components, even if pins or other attachments are required to connect the fire control components. Any part of a firearm imprinted with a serial number is presumed to be a frame or receiver of a firearm unless the Federal Bureau of Alcohol, Tobacco, Firearms and Explosives makes an official determination otherwise or there is other reliable evidence to the contrary.

(7) “Three-dimensional printer” means a computer-aided manufacturing device capable of producing a three-dimensional object from a three-dimensional digital model through an additive manufacturing process that involves the layering of two-dimensional cross sections formed of a resin or similar material that are fused together to form a three-dimensional object.

(8) “Unfinished frame or receiver” means any forging, casting, printing, extrusion, machined body, or similar article that has reached a stage in manufacture when it may readily be completed, assembled, or converted to be used as the frame or receiver of a functional firearm or that is marketed or sold to the public to become or be used as the frame or receiver of a functional firearm once completed, assembled, or converted.

(9) “Violent crime” has the same meaning as in section 4017 of this title.

§ 4083. UNLAWFUL CONDUCT INVOLVING UNSERIALIZED
FIREARMS, FRAMES, AND RECEIVERS

(a)(1) A person shall not knowingly possess, transfer, or offer to transfer an unfinished frame or receiver unless the unfinished frame or receiver has been imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) This subsection shall not apply to:

(A) a federal firearms licensee acting within the scope of the licensee's license;

(B) temporary possession or transfer of an unfinished frame or receiver for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title; or

(C) an unfinished frame or receiver transferred to or possessed by a law enforcement officer for legitimate law enforcement purposes.

(b)(1) A person shall not knowingly possess, transfer, or offer to transfer a firearm or frame or receiver of a firearm that is not imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) This subsection shall not apply to:

(A) a federal firearms licensee acting within the scope of the licensee's license;

(B) temporary possession or transfer of a firearm or frame or receiver of a firearm for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title;

(C) an unserialized frame or receiver transferred to or possessed by a law enforcement officer for legitimate law enforcement purposes;

(D) an antique firearm as defined in subsection 4017(d) of this title;

(E) a firearm that has been rendered permanently inoperable; or

(F) a firearm that was manufactured before 1968.

(c)(1) A person shall not manufacture a firearm or frame or receiver of a firearm, including by a three-dimensional printer, that is not imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) This section shall not apply to a federally licensed firearms manufacturer acting within the scope of the manufacturer's license.

(d)(1) A person who violates this section shall be:

(A) for a first offense, imprisoned for not more than one year or fined not more than \$500.00, or both;

(B) for a second offense, imprisoned for not more than two years or fined not more than \$1,000.00, or both; and

(C) for a third or subsequent offense, imprisoned for not more than three years or fined not more than \$2,000.00, or both.

(2) A person who uses an unserialized firearm while committing a violent crime shall be imprisoned for not more than five years or fined not more than \$5,000.00, or both.

§ 4084. FEDERAL FIREARMS LICENSEES; AUTHORITY TO
SERIALIZE FIREARMS, FRAMES, AND RECEIVERS

(a) A federal firearms licensee may imprint a serial number on an unserialized firearm or frame or receiver of a firearm pursuant to this section.

(b)(1) A firearm, frame, or receiver serialized pursuant to this section shall be imprinted with a serial number that begins with the licensee's abbreviated federal firearms license number, which is the first three and last five digits of the license number, and is followed by a hyphen that precedes a unique identification number. The serial number shall not be duplicated on any other firearm, frame, or receiver serialized by the licensee and shall be imprinted in a manner that complies with the requirements under federal law for affixing serial numbers to firearms, including that the serial number be at the minimum size and depth and not susceptible to being readily obliterated, altered, or removed.

(2) A licensee who serializes a firearm, frame, or receiver pursuant to this section shall make and retain records of the serialization that comply with the requirements under federal law for the sale of a firearm. In addition to any record required by federal law, the record shall include the date, name, age, and residence of any person to whom the item is transferred and the unique serial number imprinted on the firearm, frame, or receiver.

(3) A licensee shall not be deemed a firearms manufacturer solely for serializing a firearm, frame, or receiver pursuant to this section.

(c) Returning a firearm, frame, or receiver to a person after it has been serialized pursuant to federal law or this section constitutes a transfer that requires a background check of the transferee. A federal licensee who serializes a firearm, frame, or receiver pursuant to this section shall conduct a background check on the transferee pursuant to subsection 4019(c) of this title, provided that if the transfer is denied, the licensee shall deliver the firearm, frame, or receiver to a law enforcement agency for disposition. The agency

shall provide the licensee with a receipt on agency letterhead for the firearm, frame, or receiver.

(d) A licensee who violates subsection (b) or (c) of this section shall:

(1) for a first offense, be fined not more than \$2,500.00; and

(2) for a second or subsequent offense, be imprisoned for not more than one year or fined not more than \$2,500.00, or both.

Sec. 2. EFFECTIVE DATE

This act shall take effect on December 31, 2024.

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

“An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers.”

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the recommendation of amendment was agreed to, on a roll call, Yeas 26, Nays 3.

Senator Baruth 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, Champion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: Brock, Ingalls, Norris.

The Senator absent and not voting was: Mazza.

Thereupon, third reading of the bill was ordered.

Bills Passed

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

S. 199. An act relating to mergers and governance of communications union districts.

S. 278. An act relating to contributory negligence in a civil action involving sexual assault.

Third Reading Ordered**H. 516.**

Senator Vyhovsky, 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 City of Essex Junction.

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.

Joint Senate Resolution Adopted**J.R.S. 47.**

Joint Senate resolution entitled:

Joint resolution providing for a Joint Assembly to vote on the retention of two Superior Judges and one Magistrate

Having been placed on the Calendar for action, was taken up and adopted.

Recess

On motion of Senator Baruth, the Senate recessed until the fall of the gavel.

Called to Order

The Senate was called to order by the President.

Rules Suspended; Immediate Consideration; Report of Committee of Conference Accepted and Adopted on the Part of the Senate; Rules Suspended; Bill Messaged**H. 839.**

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

An act related to fiscal year 2024 budget adjustments.

Was taken up for immediate consideration.

Senator Kitchel, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

An act relating to fiscal year 2024 budget adjustments.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 2023 Acts and Resolves No. 78, Sec. B.209 is amended to read:

Sec. B.209 Public safety - state police

Personal services	67,754,321	69,564,321
Operating expenses	13,861,460	13,861,460
Grants	<u>1,591,501</u>	<u>1,591,501</u>
Total	83,207,282	85,017,282
Source of funds		
General fund	53,896,213	55,706,213
Transportation fund	20,250,000	20,250,000
Special funds	3,166,387	3,166,387
Federal funds	4,311,304	4,311,304
Interdepartmental transfers	<u>1,583,378</u>	<u>1,583,378</u>
Total	83,207,282	85,017,282

Sec. 2. 2023 Acts and Resolves No. 78, Sec. B.216 is amended to read:

Sec. B.216 Military - air service contract

Personal services	9,124,240	9,224,240
Operating expenses	<u>1,396,315</u>	<u>1,396,315</u>
Total	10,520,555	10,620,555
Source of funds		
General fund	665,922	765,922
Federal funds	<u>9,854,633</u>	<u>9,854,633</u>
Total	10,520,555	10,620,555

Sec. 3. 2023 Acts and Resolves No. 78, Sec. B.240 is amended to read:

Sec. B.240 Cannabis Control Board

Personal services	4,829,061	4,917,181
Operating expenses	<u>341,631</u>	<u>764,181</u>
Total	5,170,692	5,681,362
Source of funds		
Special funds	<u>5,170,692</u>	<u>5,681,362</u>
Total	5,170,692	5,681,362

Sec. 4. 2023 Acts and Resolves No. 78, Sec. B.241 is amended to read:

Sec. B.241 Total protection to persons and property

Source of funds		
General fund	208,539,656	210,449,656
Transportation fund	20,250,000	20,250,000
Special funds	109,230,607	109,741,277
Tobacco fund	635,843	635,843
Federal funds	133,784,669	133,784,669
Interdepartmental transfers	13,729,981	13,729,981
Enterprise funds	<u>13,816,313</u>	<u>13,816,313</u>
Total	499,987,069	502,407,739

Sec. 5. 2023 Acts and Resolves No. 78, Sec. B.300 is amended to read:

Sec. B.300 Human services - agency of human services - secretary's office

Personal services	14,083,686	15,401,686
Operating expenses	5,402,086	5,402,086
Grants	<u>2,895,202</u>	<u>2,895,202</u>
Total	22,380,974	23,698,974
Source of funds		
General fund	9,767,874	10,226,874
Special funds	135,517	135,517
Federal funds	11,678,441	12,537,441
Interdepartmental transfers	<u>799,142</u>	<u>799,142</u>
Total	22,380,974	23,698,974

Sec. 6. 2023 Acts and Resolves No. 78, Sec. B.301 is amended to read:

Sec. B.301 Secretary's office - global commitment

Grants	<u>1,990,896,293</u>	<u>2,039,037,932</u>
Total	1,990,896,293	2,039,037,932
Source of funds		
General fund	648,528,785	657,710,193
Special funds	32,994,384	32,994,384
Tobacco fund	21,049,373	21,049,373
State health care resources fund	25,265,312	25,438,836
Federal funds	1,259,024,269	1,298,107,936
Interdepartmental transfers	<u>4,034,170</u>	<u>3,737,210</u>
Total	1,990,896,293	2,039,037,932

Sec. 7. 2023 Acts and Resolves No. 78, Sec. B.306 is amended to read:

Sec. B.306 Department of Vermont health access - administration

Personal services	136,568,959	127,889,514
Operating expenses	44,391,640	44,391,640
Grants	<u>2,912,301</u>	<u>2,912,301</u>
Total	183,872,900	175,193,455

Source of funds		
General fund	35,605,917	39,109,628
Special funds	4,753,011	4,753,011
Federal funds	134,621,243	122,016,027
Global Commitment fund	4,220,337	4,220,337
Interdepartmental transfers	<u>4,672,392</u>	<u>5,094,452</u>
Total	183,872,900	175,193,455

Sec. 8. 2023 Acts and Resolves No. 78, Sec. B.307 is amended to read:

Sec. B.307 Department of Vermont health access - Medicaid program - global commitment

Personal services	547,983	547,983
Grants	<u>932,542,238</u>	<u>936,811,294</u>
Total	933,090,221	937,359,277
Source of funds		
Global Commitment fund	<u>933,090,221</u>	<u>937,359,277</u>
Total	933,090,221	937,359,277

Sec. 9. 2023 Acts and Resolves No. 78, Sec. B.309 is amended to read:

Sec. B.309 Department of Vermont health access - Medicaid program - state only

Grants	<u>53,067,318</u>	<u>55,742,931</u>
Total	53,067,318	55,742,931
Source of funds		
General fund	53,062,626	54,861,587
Global Commitment fund	<u>4,692</u>	<u>881,344</u>
Total	53,067,318	55,742,931

Sec. 10. 2023 Acts and Resolves No. 78, Sec. B.310 is amended to read:

Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched

Grants	<u>34,621,472</u>	<u>34,672,534</u>
Total	34,621,472	34,672,534
Source of funds		
General fund	12,634,069	12,493,853
Federal funds	<u>21,987,403</u>	<u>22,178,681</u>
Total	34,621,472	34,672,534

Sec. 11. 2023 Acts and Resolves No. 78, Sec. B.312 is amended to read:

Sec. B.312 Health - public health

Personal services	64,592,946	64,592,946
Operating expenses	13,047,530	13,047,530
Grants	<u>45,946,724</u>	<u>53,342,870</u>
Total	<u>123,587,200</u>	130,983,346
Source of funds		
General fund	12,408,429	12,408,429
Special funds	<u>25,017,725</u>	31,148,098
Tobacco fund	1,088,918	1,306,918
Federal funds	66,753,896	66,753,896
Global Commitment fund	<u>16,582,951</u>	17,630,724
Interdepartmental transfers	1,710,281	1,710,281
Permanent trust funds	<u>25,000</u>	<u>25,000</u>
Total	<u>123,587,200</u>	130,983,346

Sec. 12. 2023 Acts and Resolves No. 78, Sec. B.314 is amended to read:

Sec. B.314 Mental health - mental health

Personal services	47,716,644	50,489,379
Operating expenses	5,272,240	5,272,240
Grants	<u>264,539,814</u>	<u>264,343,558</u>
Total	<u>317,528,698</u>	320,105,177
Source of funds		
General fund	<u>25,282,556</u>	26,278,924
Special funds	1,708,155	1,708,155
Federal funds	10,999,654	10,999,654
Global Commitment fund	<u>279,524,193</u>	281,104,304
Interdepartmental transfers	<u>14,140</u>	<u>14,140</u>
Total	<u>317,528,698</u>	320,105,177

Sec. 13. 2023 Acts and Resolves No. 78, Sec. B.316 is amended to read:

Sec. B.316 Department for children and families - administration & support services

Personal services	44,446,942	46,323,033
Operating expenses	17,162,151	17,162,151
Grants	<u>3,919,106</u>	<u>3,919,106</u>
Total	<u>65,528,199</u>	67,404,290
Source of funds		
General fund	<u>37,090,554</u>	38,841,112
Special funds	2,781,912	2,781,912
Federal funds	23,540,549	23,540,549
Global Commitment fund	<u>1,659,321</u>	1,784,854
Interdepartmental transfers	<u>455,863</u>	<u>455,863</u>
Total	<u>65,528,199</u>	67,404,290

Sec. 14. 2023 Acts and Resolves No. 78, Sec. B.317 is amended to read:

Sec. B.317 Department for children and families - family services

Personal services	43,987,652	43,987,652
Operating expenses	5,180,385	5,180,385
Grants	<u>93,421,639</u>	<u>93,703,581</u>
Total	142,589,676	142,871,618
Source of funds		
General fund	59,707,017	59,046,300
Special funds	729,587	729,587
Federal funds	33,937,204	34,378,330
Global Commitment fund	48,178,131	48,679,664
Interdepartmental transfers	<u>37,737</u>	<u>37,737</u>
Total	142,589,676	142,871,618

Sec. 15. 2023 Acts and Resolves No. 78, Sec. B.318 is amended to read:

Sec. B.318 Department for children and families - child development

Personal services	5,670,999	5,670,999
Operating expenses	810,497	810,497
Grants	<u>95,860,842</u>	<u>99,707,882</u>
Total	102,342,338	106,189,378
Source of funds		
General fund	35,016,309	35,016,309
Special funds	16,745,000	16,745,000
Federal funds	37,419,258	41,266,298
Global Commitment fund	<u>13,161,771</u>	<u>13,161,771</u>
Total	102,342,338	106,189,378

Sec. 16. 2023 Acts and Resolves No. 78, Sec. B.320 is amended to read:

Sec. B.320 Department for children and families - aid to aged, blind and disabled

Personal services	2,252,206	2,252,206
Grants	<u>10,431,118</u>	<u>11,181,118</u>
Total	12,683,324	13,433,324
Source of funds		
General fund	7,533,333	7,533,333
Global Commitment fund	<u>5,149,991</u>	<u>5,899,991</u>
Total	12,683,324	13,433,324

Sec. 17. 2023 Acts and Resolves No. 78, Sec. B.323 is amended to read:

Sec. B.323 Department for children and families - reach up

Operating expenses	30,633	30,633
Grants	<u>35,536,413</u>	<u>36,683,099</u>
Total	<u>35,567,046</u>	<u>36,713,732</u>
Source of funds		
General fund	23,233,869	24,114,082
Special funds	5,970,229	5,970,229
Federal funds	3,531,330	2,806,330
Global Commitment fund	<u>2,831,618</u>	<u>3,823,091</u>
Total	<u>35,567,046</u>	<u>36,713,732</u>

Sec. 18. 2023 Acts and Resolves No. 78, Sec. B.330 is amended to read:

Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	<u>22,380,328</u>	<u>22,922,275</u>
Total	<u>22,380,328</u>	<u>22,922,275</u>
Source of funds		
General fund	9,220,695	9,220,695
Federal funds	7,321,114	7,321,114
Global Commitment fund	<u>5,838,519</u>	<u>6,380,466</u>
Total	<u>22,380,328</u>	<u>22,922,275</u>

Sec. 19. 2023 Acts and Resolves No. 78, Sec. B.334 is amended to read:

Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver

Grants	<u>6,638,028</u>	<u>6,938,028</u>
Total	<u>6,638,028</u>	<u>6,938,028</u>
Source of funds		
Global Commitment fund	<u>6,638,028</u>	<u>6,938,028</u>
Total	<u>6,638,028</u>	<u>6,938,028</u>

Sec. 20. 2023 Acts and Resolves No. 78, Sec. B.334.1 is amended to read:

Sec. B.334.1 Disabilities, aging and independent living - Long Term Care

Grants	<u>268,715,683</u>	<u>289,878,189</u>
Total	<u>268,715,683</u>	<u>289,878,189</u>
Source of funds		
General fund	498,579	498,579
Federal funds	2,450,000	2,450,000
Global Commitment fund	<u>265,767,104</u>	<u>286,929,610</u>
Total	<u>268,715,683</u>	<u>289,878,189</u>

Sec. 21. 2023 Acts and Resolves No. 78, Sec. B.338 is amended to read:

Sec. B.338 Corrections - correctional services

Personal services	139,473,576	152,714,793
Operating expenses	<u>24,600,099</u>	<u>24,600,099</u>
Total	164,073,675	177,314,892
Source of funds		
General fund	159,502,946	167,744,163
Special funds	935,963	935,963
ARPA State Fiscal	0	5,000,000
Federal funds	492,196	492,196
Global Commitment fund	2,746,255	2,746,255
Interdepartmental transfers	<u>396,315</u>	<u>396,315</u>
Total	164,073,675	177,314,892

Sec. 22. 2023 Acts and Resolves No. 78, Sec. B.338.1 is amended to read:

Sec. B.338.1 Corrections - Justice Reinvestment II

Grants	<u>10,659,519</u>	<u>11,206,413</u>
Total	10,659,519	11,206,413
Source of funds		
General fund	8,081,831	8,081,831
Federal funds	13,147	13,147
Global Commitment fund	<u>2,564,541</u>	<u>3,111,435</u>
Total	10,659,519	11,206,413

Sec. 23. 2023 Acts and Resolves No. 78, Sec. B.342 is amended to read:

Sec. B.342 Vermont veterans' home - care and support services

Personal services	18,187,631	24,284,571
Operating expenses	<u>5,978,873</u>	<u>6,813,344</u>
Total	24,166,504	31,097,915
Source of funds		
General fund	4,199,478	9,579,745
Special funds	11,655,797	13,627,301
Federal funds	<u>8,311,229</u>	<u>7,890,869</u>
Total	24,166,504	31,097,915

Sec. 24. 2023 Acts and Resolves No. 78, Sec. B.347 is amended to read:

Sec. B.347 Total human services

Source of funds		
General fund	1,231,153,062	1,262,543,832
Special funds	124,537,345	132,639,222

Tobacco fund	23,088,208	23,306,208
State health care resources fund	25,265,312	25,438,836
ARPA State Fiscal	0	5,000,000
Federal funds	1,785,709,992	1,816,381,527
Global Commitment fund	1,943,848,077	1,976,541,555
Internal service funds	1,746,397	1,746,397
Interdepartmental transfers	28,591,925	28,717,025
Permanent trust funds	25,000	25,000
Total	5,163,965,318	5,272,339,602

Sec. 25. 2023 Acts and Resolves No. 78, Sec. B.500 is amended to read:

Sec. B.500 Education - finance and administration

Personal services	17,683,192	16,733,192
Operating expenses	4,387,522	4,407,522
Grants	15,270,700	15,270,700
Total	37,341,414	36,411,414
Source of funds		
General fund	7,415,742	7,465,742
Special funds	16,575,926	16,595,926
Education fund	3,486,447	3,486,447
Federal funds	9,220,942	8,220,942
Global Commitment fund	260,000	260,000
Interdepartmental transfers	382,357	382,357
Total	37,341,414	36,411,414

Sec. 26. 2023 Acts and Resolves No. 78, Sec. B.502 is amended to read:

Sec. B.502 Education - special education: formula grants

Grants	226,195,600	229,821,806
Total	226,195,600	229,821,806
Source of funds		
Education fund	226,195,600	229,821,806
Total	226,195,600	229,821,806

Sec. 27. 2023 Acts and Resolves No. 78, Sec. B.505 is amended to read:

Sec. B.505 Education - adjusted education payment

Grants	1,703,317,103	1,711,148,481
Total	1,703,317,103	1,711,148,481
Source of funds		
Education fund	1,703,317,103	1,711,148,481
Total	1,703,317,103	1,711,148,481

Sec. 28. 2023 Acts and Resolves No. 78, Sec. B.509 is amended to read:

Sec. B.509 Education - Afterschool Grant Program

Grants	<u>4,000,000</u>	<u>4,000,000</u>
Total	4,000,000	4,000,000
Source of funds		
Special funds	0	4,000,000
Education fund	<u>4,000,000</u>	<u>0</u>
Total	4,000,000	4,000,000

Sec. 29. 2023 Acts and Resolves No. 78, Sec. B.516 is amended to read:

Sec. B.516 Total general education

Source of funds		
General fund	216,199,064	216,249,064
Special funds	19,495,486	23,515,486
Tobacco fund	750,388	750,388
Education fund	2,070,971,937	2,078,429,521
Federal funds	493,305,099	492,305,099
Global Commitment fund	260,000	260,000
Interdepartmental transfers	382,357	382,357
Pension trust funds	<u>3,448,255</u>	<u>3,448,255</u>
Total	2,804,812,586	2,815,340,170

Sec. 30. 2023 Acts and Resolves No. 78, Sec. B.603 is amended to read:

Sec. B.603 Vermont state colleges - allied health

Grants	<u>1,157,775</u>	<u>1,774,148</u>
Total	1,157,775	1,774,148
Source of funds		
General fund	748,314	274,148
Global Commitment fund	<u>409,461</u>	<u>1,500,000</u>
Total	1,157,775	1,774,148

Sec. 31. 2023 Acts and Resolves No. 78, Sec. B.608 is amended to read:

Sec. B.608 Total higher education

Source of funds		
General fund	128,339,478	127,865,312
Education fund	41,225	41,225
Global Commitment fund	409,461	<u>1,500,000</u>
Total	128,790,164	129,406,537

Sec. 32. 2023 Acts and Resolves No. 78, Sec. B.702 is amended to read:

Sec. B.702 Fish and wildlife - support and field services

Personal services	21,567,730	22,223,023
Operating expenses	7,140,027	7,140,027
Grants	<u>936,232</u>	<u>936,232</u>
Total	29,643,989	30,299,282
Source of funds		
General fund	7,173,206	7,603,314
Special funds	370,644	385,694
Fish and wildlife fund	10,921,090	10,921,090
Federal funds	9,793,589	10,003,724
Interdepartmental transfers	<u>1,385,460</u>	<u>1,385,460</u>
Total	29,643,989	30,299,282

Sec. 33. 2023 Acts and Resolves No. 78, Sec. B.710 is amended to read:

Sec. B.710 Environmental conservation - air and waste management

Personal services	26,006,961	29,506,961
Operating expenses	10,026,393	10,026,393
Grants	<u>4,905,988</u>	<u>4,905,988</u>
Total	40,939,342	44,439,342
Source of funds		
General fund	193,565	193,565
Special funds	26,236,633	29,736,633
Federal funds	14,342,090	14,342,090
Interdepartmental transfers	<u>167,054</u>	<u>167,054</u>
Total	40,939,342	44,439,342

Sec. 34. 2023 Acts and Resolves No. 78, Sec. B.714 is amended to read:

Sec. B.714 Total natural resources

Source of funds		
General fund	37,999,582	38,429,690
Special funds	79,971,986	83,487,036
Fish and wildlife fund	10,921,090	10,921,090
Federal funds	93,077,302	93,287,437
Interdepartmental transfers	<u>13,215,308</u>	<u>13,215,308</u>
Total	235,185,268	239,340,561

Sec. 35. 2023 Acts and Resolves No. 78, Sec. B.800 is amended to read:

Sec. B.800 Commerce and community development - agency of commerce and community development - administration

Personal services	2,610,304	2,510,304
Operating expenses	982,307	982,307
Grants	<u>539,820</u>	<u>539,820</u>
Total	4,132,431	4,032,431
Source of funds		
General fund	3,666,442	3,566,442
Federal funds	351,000	351,000
Interdepartmental transfers	<u>114,989</u>	<u>114,989</u>
Total	4,132,431	4,032,431

Sec. 36. 2023 Acts and Resolves No. 78, Sec. B.802 is amended to read:

Sec. B.802 Housing and community development

Personal services	6,428,334	6,528,334
Operating expenses	705,584	705,584
Grants	<u>23,739,005</u>	<u>25,967,039</u>
Total	30,872,923	33,200,957
Source of funds		
General fund	5,031,943	5,131,943
Special funds	6,937,054	9,165,088
Federal funds	15,854,615	15,854,615
Interdepartmental transfers	<u>3,049,311</u>	<u>3,049,311</u>
Total	30,872,923	33,200,957

Sec. 37. 2023 Acts and Resolves No. 78, Sec. B.813 is amended to read:

Sec. B.813 Total commerce and community development

Source of funds		
General fund	21,222,221	21,222,221
Special funds	32,106,330	34,334,364
Federal funds	93,013,297	93,013,297
Interdepartmental transfers	<u>5,062,973</u>	<u>5,062,973</u>
Total	151,404,821	153,632,855

Sec. 38. 2023 Acts and Resolves No. 78, Sec. B.1000 is amended to read:

Sec. B.1000 Debt service

Operating expenses	<u>75,705,398</u>	<u>675,000</u>
Total	75,705,398	675,000
Source of funds		
General fund	75,377,993	675,000
Transportation fund	<u>327,405</u>	<u>0</u>
Total	75,705,398	675,000

Sec. 39. 2023 Acts and Resolves No. 78, Sec. B.1001 is amended to read:

Sec. B.1001 Total debt service

Source of funds

General fund	75,377,993	675,000
Transportation fund	<u>327,405</u>	<u>0</u>
Total	75,705,398	675,000

Sec. 40. 2023 Acts and Resolves No. 78, Sec. B.1100 is amended to read:

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2024 ONE-TIME
APPROPRIATIONS

(a) Agency of Administration. In fiscal year 2024, funds are appropriated for the following:

* * *

(4) \$30,000,000 General Fund to be used as Federal Emergency Management Agency (FEMA) matching funds for costs incurred due to the July 2023 flooding event.

(5) \$6,250,000 General Fund for local economic damage grants to municipalities that were impacted by the July 2023 flooding event in counties that are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration DR-4720-VT. It is the intent of the General Assembly that these local economic damage grants be distributed to municipalities throughout the state to address the secondary economic impacts of the July 2023 flooding event. Monies from these grants shall not be expended on FEMA-related projects.

(A) \$3,250,000 of the funds appropriated in this subdivision (a)(5) for local economic damage grants shall be distributed as follows:

(i) \$1,000,000 to each municipality that as of February 1, 2024 has at least 450 FEMA-approved Individuals and Households Program registrations for Individual Assistance relating to the July 2023 flooding event.

(ii) \$750,000 to each municipality that as of February 1, 2024 has less than 450 and at least 95 FEMA-approved Individuals and Households Program registrations for Individual Assistance relating to the July 2023 flooding event.

(B) \$3,000,000 of the funds appropriated in this subdivision (a)(5) for local economic damage grants shall be distributed as follows:

(i) \$75,000 to each municipality that as of February 1, 2024 has at least \$5,000,000 in estimated reported damages to public infrastructure relating to the July 2023 flooding event.

(ii) \$50,000 to each municipality that as of February 1, 2024 has less than \$5,000,000 and at least \$2,000,000 in estimated reported damages to public infrastructure relating to the July 2023 flooding event.

(iii) \$30,000 to each municipality that as of February 1, 2024 has less than \$2,000,000 and at least \$1,000,000 in estimated reported damages to public infrastructure relating to the July 2023 flooding event.

(iv) \$20,000 to each municipality that as of February 1, 2024 has less than \$1,000,000 and at least \$250,000 in estimated reported damages to public infrastructure relating to the July 2023 flooding event.

(v) \$10,000 to each municipality that as of February 1, 2024 has less than \$250,000 and at least \$100,000 in estimated reported damages to public infrastructure relating to the July 2023 flooding event.

(C) To the extent that the funds appropriated in this subdivision (a)(5) have not been granted by June 30, 2024, they shall revert the General Fund and be transferred to the Emergency Relief and Assistance Fund.

* * *

(c) Department of Human Resources. In fiscal year 2024, funds are appropriated for the following:

(1) ~~\$725,000~~ \$600,000 General Fund to fund ~~seven~~ six 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~~ \$200,000 General Fund to fund ~~one~~ two new permanent full-time ~~position~~ positions in the VTHR Operations division in fiscal year 2024. These position costs shall be funded through the ~~Department of Human Resources~~ Financial Management – Internal Service Fund beginning in fiscal year 2025; and

* * *

~~(d) \$200,000 General Fund to the Department of Libraries in.~~ In fiscal year 2024, funds are appropriated for the following:

(1) \$200,000 General Fund to support the FiberConnect project relating to ~~Internet~~ internet access in public libraries; and

(2) \$11,500 General Fund for contract costs incurred in support of the Working Group on the Status of Libraries in Vermont pursuant to 2021 Acts and Resolves No. 66, Sec. 1.

* * *

(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; and

(4) \$6,000,000 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund for water quality grants to partners and farmers, in accordance with the Clean Water Board’s fiscal year 2023 and fiscal year 2024 budget recommendations and 2021 Acts and Resolves No. 74, Sec. G.700(a)(6)(A).

* * *

(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; and

(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:

* * *

(3) \$10,000,000 General Fund to continue to address the emergent and exigent circumstances impacting health care providers following the COVID-19 pandemic. All or a portion of these funds may also be used as matching funds to the Agency of Human Services Global Commitment Program to provide state match. If funds are used as matching funds to the Agency of Human Services Global Commitment Program to provide state match, the commensurate amount of Global Commitment Fund spending authority may be requested during the Global Commitment Transfer process pursuant to 2023 Acts and Resolves No. 78, Sec. E.301.1; and

(4) \$10,534,603 General Fund and \$13,693,231 Federal Revenue Fund #2205 for use as Global Commitment matching funds for one-time caseload pressures due to the suspension of Medicaid eligibility redeterminations; and

(5) \$671,000 General Fund to the State Refugee Office for grants to support transitional housing for refugees.

* * *

(n) Department of Health. In fiscal year 2024, funds are appropriated for the following

* * *

(7) \$5,000,000 General Fund for the purpose of supporting the Community Violence Prevention Program established by legislation enacted in 2023. An amount not to exceed five percent of this appropriation may be used for the administrative costs of the program, including the funding of an existing limited service position at the Department of Health. 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;

* * *

(o) Department for Children and Families. In fiscal year 2024, funds are appropriated for the following:

* * *

~~(3) \$40,000 General 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~~ to fund costs associated with supporting youth in foster care, or formerly in foster care, to learn to drive and to obtain their drivers' licenses and independent transportation;

* * *

(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;

(11) \$11,304,802 General Fund for emergency housing needs through the end of fiscal year 2024; and

(12) \$1,329,000 General Fund for standing up shelters.

* * *

(r) Agency of Education. In fiscal year 2024, funds are appropriated for the following:

(1) \$200,000 General Fund in fiscal year 2024 to the Agency of Education for the work of the School Construction Task Force; and

(2) \$1,924,495 Education Fund to hold Local Education Agencies harmless for the Special Education Census Block Grant miscalculation.

* * *

(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; and

(4) \$20,000,000 General Fund for the appropriation established in 2022 Acts and Resolves No. 185, Sec. B.1100(a)(28), as amended by 2023 Acts and Resolves No. 3, Sec. 45, to replenish the \$20,000,000 of General Fund spending authority transferred by the Emergency Board on July 31, 2023, per 32 V.S.A. §§ 133(b) and 706(2), as directed by order of the Emergency Board under Item 5(a) – Business Emergency Gap Assistance Program.

* * *

(x) Judiciary. In fiscal year 2024, funds are appropriated for the following:

(1)(A) \$4,680,000 General Fund to the Judiciary for the Judiciary network replacement project.

~~(1)(B)~~ Judiciary shall update the Joint Information Technology Oversight Committee on the status of this project on or before December 1, 2023.

(2) \$300,000 General Fund for the Essex County Courthouse renovation planning.

* * *

Sec. 41. 2023 Acts and Resolves No. 78, Sec. B.1101 is amended to read:

Sec. B.1101 WORKFORCE AND ECONOMIC DEVELOPMENT –
FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

* * *

(b) Youth workforce and high school completion.

* * *

(2) In fiscal year 2024, the amount of ~~\$1,000,000~~ \$1,380,000 is appropriated from the General Fund to the Agency of Education for grants to Adult Basic Education programs to provide deficit assistance and bridge funding for Adult Basic Education programs while the study and report required by Sec. E.504 of this act is completed. Of the funds appropriated in this section, \$380,000 shall be allocated to Adult Basic Education providers as follows:

- (A) \$300,000 to Vermont Adult Learning;
- (B) \$40,000 to Northeast Kingdom Learning Services;
- (C) \$20,000 to Central Vermont Adult Education; and
- (D) \$20,000 to the Tutorial Center.

* * *

(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~~ granted 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.

* * *

(4) In fiscal year 2024, the amount of \$3,000,000 is appropriated from the General Fund to the ~~Department of Mental Health~~ Agency of Human Services to address workforce needs at the designated and specialized services 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 services agencies and approved by the General Assembly or the Joint Fiscal Committee if the ~~legislature~~ General Assembly 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.

(5) In fiscal year 2024, the amount of \$6,899,724 is appropriated from the Global Commitment Fund to the Department of Mental Health for purposes of leveraging the appropriation in subdivision (4) of this subsection for Global Commitment investment.

* * *

(g) Agriculture Economic Development.

* * *

(3) In fiscal year 2024, the amount of ~~\$6,900,000~~ \$7,025,492 General Fund is appropriated to the Agency of Agriculture, Food and Markets to fund Agriculture Development Grants for the Organic Dairy Farm Assistance Program. Farms eligible for assistance that timely filed a complete application in calendar year 2023 that have continuously remained eligible since they applied and that are currently operating as of the passage of the fiscal year 2024 budget adjustment act shall be eligible for an award under the Program.

* * *

Sec. 42. 2023 Acts and Resolves No. 78, Sec. B.1102 is amended to read:

Sec. B.1102 AFFORDABLE HOUSING DEVELOPMENT –
FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

* * *

(c) In fiscal year 2024, the amount of ~~\$50,000,000~~ \$52,000,000 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~~ \$30,000,000 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.

(3) \$10,000,000 to:

(A) 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. The Vermont Housing and Conservation Board 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 2023 Acts and Resolves No. 81.

(B) Provide support, expand emergency shelter capacity, and provide permanent homes to households experiencing homelessness, while decreasing reliance on motels and hotels used by beneficiaries of the emergency housing transition benefit established in 2023 Acts and Resolves No. 81 and participants of the General Assistance emergency housing program. The Vermont Housing and Conservation Board shall consult with the Agency of Human Services to ensure that new investments in emergency shelters and permanent homes are paired with appropriate support services for residents.

(4) \$2,000,000 for emergency shelter projects in central Vermont and southeastern Vermont.

Sec. 43. 2023 Acts and Resolves No. 78, Sec. B.1103 is amended to read:

Sec. B.1103 CLIMATE AND ENVIRONMENT – FISCAL YEAR 2024
ONE-TIME APPROPRIATIONS

* * *

(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.

* * *

(n) In fiscal year 2024, the amount of \$165,000 General Fund is appropriated to the Department of Environmental Conservation to complete the engineering assessment for the Green River Reservoir Dam. The Department shall share the findings of the assessment with Morrisville Water and Light.

Sec. 44. 2023 Acts and Resolves No. 78, Sec. B.1104 is amended to read:

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 and to fund the present value of modifications to the postretirement adjustments allowance.

Sec. 45. 2023 Acts and Resolves No. 78, Sec. B.1105(d) is amended to read:

(d) In fiscal year 2024, to the extent funds are available from transfers made in Sec. C.109 of this act, and before the appropriation identified in 2023 Acts and Resolves No. 81, Sec. 7(a), the projects in this subsection 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:

* * *

Sec. 46. 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, a construction project with a construction cost exceeding \$200,000.00 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~~ 1001b shall provide that all construction employees working on the project shall be paid 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.

Sec. 47. 2023 Acts and Resolves No. 78, Sec. C.108 is amended to read:

Sec. C.108 RESERVES FOR INFRASTRUCTURE INVESTMENT AND
JOBS ACT (IJA) MATCH

* * *

(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, from the transfer provided in subdivision D.101(a)(1)(D)(ii) of this act, to provide the State match in fiscal years 2025 and 2026 needed for federal funding for water and wastewater related projects under the IJJA. These funds shall only be expended if authorized by the General Assembly.

Sec. 48. 2023 Acts and Resolves No. 78, Sec. C.109 is amended to read:

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~~ a remaining unobligated fund balance in fiscal year 2023 after the transfers to the General Fund are made, 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.

* * *

Sec. 49. 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 78, Sec. C.115, is further 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) Up to \$1,000,000 shall be available for the retention of technical experts to assist the Public Safety Communications Task Force with the analysis and planning required by ~~Sec. C.112 of this act~~ 2023 Acts and Resolves No. 78, Sec. C.114 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) Up to \$4,500,000 shall be available to provide funding for pilot projects pursuant to ~~Sec. C.112(f), of this act~~ 2023 Acts and Resolves No. 78, Sec. C.114(f).

(3) Any remaining amounts not obligated pursuant to subdivisions (1) and (2) of this subsection ~~(b) shall be held in reserve~~ remain unobligated and unexpended 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~~ In order to extract the greatest value from the limited State and federal dollars currently available for public safety communications modernization, it is the intent of the General Assembly that all such funding is expended in an efficient and complementary manner. To that end, the Commissioner of Public Safety shall 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, to the greatest extent possible, the goals of a statewide public safety communications system developed by the Public Safety Communications Task Force. The Commissioner of Public Safety shall ~~consult with~~ promptly inform the Public Safety Communications Task Force as ~~the~~ federal parameters for expending the funds become available and as the Commissioner develops a and, if necessary, revises the plan to expend such funds. The Commissioner shall solicit recommendations from the Task Force regarding the plan, including any revisions to the plan, the implementation schedule, and specific expenditures. In addition, the Commissioner shall update the Joint Fiscal Committee on planned expenditures.

* * *

Sec. 50. 2023 Acts and Resolves No. 78, Sec. C.114(f) is amended to read:

(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.~~

* * *

Sec. 51. 2023 Acts and Resolves No. 78, Sec. C.120 is amended to read:

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 25 percent 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) of this act shall be unreserved and reserved within the General Fund Balance Reserve established by 32 V.S.A. § 308e. [Repealed.]~~

Sec. 52. 2023 Acts and Resolves No. 78, Sec. C.123 is amended to read:

Sec. C.123 HOUSING TRANSITION; RESOURCES FOR
COMPREHENSIVE COMMUNITY RESPONSE

* * *

~~(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 Department of Corrections in 2022 Acts and Resolves No. 185, Sec. B.338. 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 Department of Corrections from American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund dollars 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.

* * *

Sec. 53. 2023 Acts and Resolves No. 78, Sec. D.100 is amended to read:

Sec. D.100 APPROPRIATIONS ALLOCATIONS; PROPERTY
TRANSFER TAX

(a) This act contains the following amounts ~~appropriated from~~ allocated to special funds that receive revenue from the property transfer tax. ~~Expenditures from these appropriations~~ These allocations shall not exceed available revenues.

(1) The sum of \$560,000 is ~~appropriated~~ allocated 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. 54. 2023 Acts and Resolves No. 78, Sec. D.100.1 is amended to read:

Sec. D.100.1 LEGISLATIVE INTENT FOR FISCAL YEAR 2024
PLANNING FUNDS

(a) ~~It is the intent of the General Assembly that an~~ An amount not to exceed \$500,000 of the planning funds provided in Sec. D.100 of this act shall be used for municipal bylaw modernization.

Sec. 55. 2023 Acts and Resolves No. 78, Sec. D.101 is amended to read:

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:

* * *

(E) the Fire Prevention/Building Inspection Special Fund (21901): \$1,500,000.00; ~~and~~

(F) the Tax Computer System Modernization Fund (21909): \$3,600,000.00;

(G) the State Liability Insurance Fund (56200): \$9,500,000.00;

(H) the Emergency Relief and Assistance Fund (21555): \$17,250,000.00;

(I) the Act 250 Permit Fund (21260): \$120,300.00;

(J) the General Government Projects Fund (31100): \$139.24;

(K) the Protection Projects Fund (31200): \$1,180,584.31;

(L) the Natural Resources Projects Fund (31500): \$2,127,949.51;

(M) the Commerce and Community Development Projects Fund (31600): \$545,295.85; and

(N) the General Obligation Bonds Debt Service Fund (35100): \$71,202,993.00.

* * *

(2) From the Education Fund to:

(A) the Tax Computer System Modernization Fund (21909):
\$1,300,000.00; and

(B) the Universal Afterschool and Summer Special Fund:
\$2,836,982.94.

* * *

(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: \$523,966.00; and

(B) the General Obligation Bonds Debt Service Fund (35100):
\$327,405.00.

(5) From the Waste Management Assistance Fund (21285) to:

(A) the Environmental Contingency Fund (21275): \$3,500,000.00.

(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
<u>50250 Sports Wagering Fund</u>	\$1,204,000 <u>\$3,200,000</u>
Caledonia Fair	\$5,000
North Country Hospital Loan Repayment	\$24,047
Springfield Hospital Promissory Note Repayment	\$121,416
<u>21970 Registration Fees Fund</u>	<u>\$605,273.01</u>
<u>21065 Financial Institutions Supervision Fund</u>	<u>\$4,024,748</u>

(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	<u>\$4,000,000</u>
621000 Unclaimed Property Fund	\$3,270,225	<u>\$4,806,692</u>

* * *

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, ~~\$60,044,000~~ \$57,667,840 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)(1)(A) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following ~~amounts~~ amount shall revert to the General Fund from the ~~accounts indicated~~ general funds appropriated in Sec. B.301 of this act for the Global Commitment Program:

3400004000 Agency of Human Services – Secretary’s Office		
– Global Commitment		\$15,103,683

(B) 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:

<u>1130892201</u>	<u>Lib – Working Group Per Diem</u>	<u>\$11,550.00</u>
<u>1140070000</u>	<u>Use Tax Reimbursement Program</u>	<u>\$120,096.98</u>
<u>1140330000</u>	<u>Renter Rebates</u>	<u>\$943,487.35</u>
<u>1150891901</u>	<u>Electric Vehicle Charge</u>	<u>\$4,412.78</u>
<u>1250010000</u>	<u>Auditor of Accounts</u>	<u>\$21,067.71</u>
<u>1260010000</u>	<u>Office of the Treasurer</u>	<u>\$110,821.00</u>
<u>2110010000</u>	<u>Assigned Counsel</u>	<u>\$3.37</u>
<u>2120892203</u>	<u>JUD – County Courthouse HVAC</u>	<u>\$300,000.00</u>
<u>2130200000</u>	<u>Sheriffs</u>	<u>\$29,880.53</u>
<u>2130400000</u>	<u>SIUS Parent Account</u>	<u>\$167,678.27</u>
<u>2130500000</u>	<u>Crime Victims Advocates</u>	<u>\$18,465.95</u>
<u>2150010000</u>	<u>Military – Administration</u>	<u>\$100,782.00</u>
<u>2160892102</u>	<u>CCVS-BCJC for St Jo’s Orphan</u>	<u>\$88.00</u>

<u>2200010000</u>	<u>Administration Division</u>	<u>\$389,654.70</u>
<u>2230892202</u>	<u>SOS – One-Time FY22 Election Cost</u>	<u>\$171,400.78</u>
<u>2320020000</u>	<u>Liquor Enforcement & Licensing</u>	<u>\$15,000.00</u>
<u>3150070000</u>	<u>Mental Health</u>	<u>\$2,772,735.17</u>
<u>3310000000</u>	<u>Commission on Women</u>	<u>\$11,173.77</u>
<u>3330010000</u>	<u>Green Mountain Care Board</u>	<u>\$250,000.00</u>
<u>3400001000</u>	<u>Secretary’s Office Admin Costs</u>	<u>\$475,775.00</u>
<u>3400004000</u>	<u>Global Commitment</u>	<u>\$11,676,230.24</u>
<u>3400010000</u>	<u>Human Services Board</u>	<u>\$110,000.00</u>
<u>3400892109</u>	<u>St Match – Act 155 4(a),5(a)</u>	<u>\$34,350.00</u>
<u>3400892203</u>	<u>AHSCO – COVID-19 Emergent/Exigen</u>	<u>\$4,868,985.74</u>
<u>3400892205</u>	<u>AHSCO – Workforce Recruitment</u>	<u>\$4,367,147.39</u>
<u>3400892312</u>	<u>AHSCO – VT Nursing Forgivable Loan</u>	<u>\$13,403.00</u>
<u>3410018000</u>	<u>DVHA – Medicaid-Non- Waiver Program</u>	<u>\$525,610.73</u>
<u>3420060000</u>	<u>Substance Use Programs</u>	<u>\$119,130.89</u>
<u>3440010000</u>	<u>DCFS – Admin & Support Services</u>	<u>\$2,595,167.55</u>
<u>3440020000</u>	<u>DCFS – Family Services</u>	<u>\$2,864,970.25</u>
<u>3440030000</u>	<u>DCFS – Child Development</u>	<u>\$3,131,063.24</u>
<u>3440050000</u>	<u>DCFS – AABD</u>	<u>\$451,263.27</u>
<u>3440060000</u>	<u>DCFS – General Assistance</u>	<u>\$1,414,739.60</u>
<u>3440080000</u>	<u>DCFS – Reach Up</u>	<u>\$979,674.76</u>
<u>3440100000</u>	<u>DCFS – OEO Office of Economic Opp.</u>	<u>\$273,038.00</u>
<u>3440120000</u>	<u>DCFS – Secure Res. Treatment</u>	<u>\$2,752,270.00</u>
<u>3440130000</u>	<u>DCFS – DDS</u>	<u>\$80,299.43</u>

<u>3440891908</u>	<u>Weatherization Assist Bridge</u>	<u>\$1,892.85</u>
<u>3440892214</u>	<u>DCF – Childcare Provider Workforce</u>	<u>\$2,879,549.25</u>
<u>3440892309</u>	<u>DCF – Worker Retention Grant</u>	<u>\$564,500.00</u>
<u>3480007000</u>	<u>Corrections – Justice Reinvest</u>	<u>\$831,964.28</u>
<u>4100500000</u>	<u>VT Department of Labor</u>	<u>\$2,400,000.00</u>
<u>5100010000</u>	<u>Administration</u>	<u>\$0.03</u>
<u>5100060000</u>	<u>Adult Basic Education</u>	<u>\$136.13</u>
<u>5100892214</u>	<u>AOA – School Food Program Admin</u>	<u>\$50,670.70</u>
<u>5100892301</u>	<u>AOE – Child Nutrition</u>	<u>\$244,648.60</u>
<u>5100892309</u>	<u>AOE – Staffing</u>	<u>\$146,649.08</u>
<u>6100040000</u>	<u>Property Tax Assessment Approp.</u>	<u>\$9,542.14</u>
<u>6130030000</u>	<u>Parks</u>	<u>\$3.85</u>
<u>6130891903</u>	<u>Logger Safety, Value Added</u>	<u>\$108.51</u>
<u>6140040000</u>	<u>Water Programs Appropriation</u>	<u>\$0.20</u>
<u>7110010000</u>	<u>Housing & Community Development</u>	<u>\$1.86</u>
<u>7120010000</u>	<u>Economic Development</u>	<u>\$0.71</u>
<u>7130000000</u>	<u>Dept. of Tourism & Marketing</u>	<u>\$230.47</u>

(2) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Transportation Fund from the accounts indicated:

<u>1150400000</u>	<u>BGS – Information Centers</u>	<u>\$183,952.35</u>
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(3) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Transportation Infrastructure Bond Fund from the accounts indicated:

<u>8100001100</u>	<u>Program Development</u>	<u>\$3,239,445.00</u>
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(4) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Education Fund from the accounts indicated:

<u>5100010000</u>	<u>Administration</u>	<u>\$1,280,710.79</u>
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<u>5100110000</u>	<u>Small School Grant</u>	<u>\$391,067.00</u>
<u>5100200000</u>	<u>Education – Technical Education</u>	<u>\$1,204,216.38</u>
<u>5100892310</u>	<u>Education – Universal Meals</u>	<u>\$6,823,849.84</u>

(5) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Clean Water Fund from the accounts indicated:

<u>1100010000</u>	<u>Secretary of Administration</u>	<u>\$100,000.00</u>
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(6) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Fund from the accounts indicated:

<u>6140892207</u>	<u>Department of Environmental Conservation – Clean Water Board</u>	<u>\$6,000,000.00</u>
<u>1110892111</u>	<u>University of Vermont – Workforce Upskill</u>	<u>\$131,670.00</u>
<u>1110892112</u>	<u>VSAC HS Grad Advancement</u>	<u>\$24,539.92</u>
<u>1110892219</u>	<u>University of Vermont – New Career</u>	<u>\$181,485.00</u>
<u>2200892308</u>	<u>AAFM – Soil Quality Practices</u>	<u>\$200,000.00</u>
<u>3400892204</u>	<u>AHSCO – Workforce Retention</u>	<u>\$2,000,000.00</u>
<u>3440892205</u>	<u>DCF – OEO – Community Action Agc</u>	<u>\$3,182.48</u>
<u>4100892203</u>	<u>DOL-COVID-19 Unemployment Syst</u>	<u>\$2,459,122.60</u>

(7) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Tobacco Fund from the accounts indicated:

<u>3400891802</u>	<u>Invest Substance Use Treat</u>	<u>\$1,500,000.00</u>
<u>3400891803</u>	<u>Finance Substance Use Treat</u>	<u>\$724,241.80</u>

* * *

(e)(1) Notwithstanding Sec. 1.4.3 of the Rules for State Matching Funds Under the Federal Public Assistance Program, in fiscal year 2024, the Secretary of Administration may provide funding from the Emergency Relief

and Assistance Fund that was transferred pursuant to subdivision (a)(1)(H) of this section to subgrantees prior to the completion of a project. In fiscal year 2024, up to 70 percent of the State funding match on the nonfederal share of an approved project for municipalities that were impacted by the July 2023 flooding event in counties that are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration DR-4720-VT may be advanced at the request of a municipality.

(2) Notwithstanding Sec. 1.4.1 of the Rules for State Matching Funds Under the Federal Public Assistance Program, the Secretary of Administration shall increase the standard State funding match on the nonfederal share of an approved project to the highest percentage possible given available funding for municipalities in counties that were impacted by the July 2023 flooding event and are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration DR-4720-VT.

* * *

Sec. 56. 2023 Acts and Resolves No. 78, Sec. E.100 is amended to read:

Sec. E.100 EXECUTIVE BRANCH POSITIONS

(a) The establishment of ~~68~~ 75 permanent positions is authorized in fiscal year 2024 for the following:

(1) Permanent classified positions:

* * *

(R) Department for Children and Families:

(i) five Family Service Workers;

(S) Cannabis Control Board:

(i) one Compliance Agent; and

(ii) one Deputy Director of Compliance and Enforcement.

* * *

(c) The establishment of ~~9~~ 12 new classified limited service positions is authorized in fiscal year 2024 as follows:

* * *

(3) Department of Finance and Management:

(A) one VISION Reporting Analyst III; and

(B) two VISION Financial Analysts II.

* * *

Sec. 57. 2021 Acts and Resolves No. 74, Sec. G.501(a) is amended to read:

(a) \$52,000,000 is appropriated in fiscal year 2022 from American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds as follows:

* * *

(4) \$12,800,000 to the Agency of Administration for a Human Capital Management ERP upgrade - replacement of the HR system that tracks employee information, timesheets, and contracts, including a VANTAGE budget system upgrade and interface with the new HR system. Up to \$3,000,000 of these funds may be expended for other Enterprise Resource Planning modernization related projects, including business process transformation.

* * *

Sec. 58. 3 V.S.A. § 3306 is amended to read:

§ 3306. TECHNOLOGY MODERNIZATION SPECIAL FUND

(a) Creation. There is created the Technology Modernization Special Fund, to be administered by the Agency of Digital Services. Monies in the Fund shall be used to fund business process transformation and to purchase, implement, and upgrade technology platforms, systems, and cybersecurity services used by State agencies and departments to carry out their statutory functions.

* * *

Sec. 59. AGENCY OF ADMINISTRATION; ENTERPRISE RESOURCE PLANNING

(a) In fiscal year 2024, the Agency of Administration shall report to the Joint Information Technology Oversight Committee within three business days after any change in status of any contract relating to the Enterprise Resource Planning (ERP) Modernization – Business Transformation project changes.

(b) The Agency of Administration shall share the results of its independent review with the Committee within three business days after its completion.

Sec. 60. 2023 Acts and Resolves No. 78, Sec. E.111.2 is amended to read:

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~~ remain in the fund ~~established~~ as codified by 32 V.S.A. § 3209.

Sec. 61. 2023 Acts and Resolves No. 78, Sec. E.131.2 is added to read:

Sec. E.131.2 TREASURER; STATE RESERVES STUDY

(a) On or before December 15, 2024, the Treasurer shall, in consultation with the Department of Finance and Management and the Joint Fiscal Office, submit a written report to the Joint Fiscal Committee on the State's fiscal reserve practices and the fiscal reserve practices of other states. The report shall include a review of:

(1) the current fiscal reserve practices of the State, including a review of which funds have statutory reserves and which funds do not;

(2) the fiscal reserve practices of other states and best practices;

(3) how Vermont's fiscal reserve practices compare to those of other states and to best practices; and

(4) the cash reserve policies of the State as it compares to reserve requirements.

(b) The report shall include the Treasurer's findings and any recommendations for changes in the fiscal reserve practices of the State.

Sec. 62. 2023 Acts and Resolves No. 78, Sec. E.131.3 is added to read:

Sec. E.131.3 TREASURER; STRESS-TESTING REPORT

(a) On or before December 15, 2024, the Treasurer, in consultation with the Department of Finance and Management and the Joint Fiscal Office, shall submit a written report to the Joint Fiscal Committee on fiscal stress-testing practices and methodologies in other states. The report shall address the extent to which such practices may be useful or beneficial and include any recommendations for the implementation of stress-testing practices in State government.

Sec. 63. 2023 Acts and Resolves No. 78, Sec. E.300.2 is amended to read:

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 pilot program funded in Sec. B.1100 of this act and shall update the Joint Fiscal Committee on its findings on or before November 15, 2023.

Sec. 64. 2023 Acts and Resolves No. 78, Sec. E.301 is amended to read:

Sec. E.301 SECRETARY'S OFFICE – GLOBAL COMMITMENT

* * *

(b) In addition to the State funds appropriated in Sec. B.301 of this act, a total estimated sum of ~~\$25,231,644~~ \$25,050,921 is anticipated to be certified as State matching funds under the Global Commitment as follows:

* * *

(c) Up to ~~\$4,034,170~~ \$3,737,210 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. 65. 2023 Acts and Resolves No. 78, Sec. E.312 is amended to read:

Sec. E.312 HEALTH – PUBLIC HEALTH

(a) HIV/AIDS funding:

* * *

(5) In fiscal year 2024, the Department of Health shall provide grants in the amount of \$300,000 in General Funds Fund dollars and \$218,000 Tobacco Litigation Settlement Fund dollars to the current syringe exchange programs in 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.

(A) The \$218,000 Tobacco Litigation Settlement Fund dollars appropriated to the Department of Health in Sec. B.312 of this act for grants to the current syringe exchange programs in Vermont shall be distributed as follows:

- (i) \$148,000 to Vermont Cares;
- (ii) \$30,000 to the AIDS Project of Southern Vermont;
- (iii) \$15,000 to the HIV/HCV Resource Center; and
- (iv) \$25,000 to the Howard Center Safe Recovery.

* * *

Sec. 66. 2022 Acts and Resolves No. 185, Sec. B.802, as amended by 2023 Acts and Resolves No. 3, Sec. 41, is further amended to read:

Sec. B.802 Housing and community development

Personal services	5,321,306	<u>5,212,164</u>
Operating expenses	673,807	<u>671,358</u>
Grants	77,056,152	<u>27,259,532</u>
Total	83,051,265	<u>33,143,054</u>
Source of funds		
General fund	4,065,708	4,065,708
Special funds	7,204,966	7,747,606
Federal funds	68,364,457	<u>18,456,246</u>
Interdepartmental transfers	2,873,494	2,873,494
Total	83,051,265	<u>33,143,054</u>

Sec. 67. 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. 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:

* * *

(38) \$30,000 to the Department of Health ~~for a grant to enter into an agreement~~ with the American Heart Association for CPR and First Aid Training kits to facilitate training in schools.

* * *

Sec. 68. 2022 Acts and Resolves No. 183, Sec. 53(a), as amended by 2023 Acts and Resolves No. 3, Sec. 81 is further amended to read:

(a) Reversion. In fiscal year 2023, of the amounts appropriated in 2021 Acts and Resolves No. 74, Sec. G.300(a)(13) and 2021 Acts and Resolves No. 9, Sec. 3(b)(1), from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Economic Recovery Grant Program, ~~\$25,042,000.00~~ \$24,980,874.93 shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds.

Sec. 69. 2023 Acts and Resolves No. 22, Sec. 3 is amended to read:

Sec. 3. APPROPRIATION; COMMUNITY NEEDLE AND SYRINGE
DISPOSAL PROGRAMS

~~In~~ Notwithstanding any provision of law to the contrary, in fiscal year 2024, \$150,000.00 is ~~authorized~~ appropriated from the Evidence-Based Education and Advertising Fund ~~in established by~~ 33 V.S.A. § 2004a to the Department of Health's Division of Substance Use Programs to provide grants and

consultations for municipalities, hospitals, community health centers, and other publicly available community needle and syringe disposal programs that participated in a stakeholder meeting pursuant to Sec. 2 of this act.

Sec. 70. 2023 Acts and Resolves No. 22, Sec. 14 is amended to read:

Sec. 14. APPROPRIATION; OPIOID ABATEMENT SPECIAL FUND

In fiscal year 2023, the following monies shall be appropriated from the Opioid Abatement Special Fund pursuant to 18 V.S.A. § 4774:

* * *

(9) All appropriations made in this section shall carry forward into fiscal year 2024 unless reverted as part of the fiscal year 2024 budget adjustment act.

Sec. 71. 2022 Acts and Resolves No. 185, Sec. G.600(b), as amended by 2023 Acts and Resolves No. 3, Sec. 85, and 2023 Acts and Resolves No. 62, Sec. 26, is further amended to read:

(b) In fiscal year 2023, \$32,200,000 is appropriated from the General Fund and \$550,000 is appropriated from the Transportation Fund for electric vehicle charging infrastructure, electrification incentives and public transportation investments as follows:

* * *

(4) ~~\$3,000,000~~ \$4,000,000 to the Agency of Transportation to grant to the Community Action Agencies to support the MileageSmart Program, established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

(5) ~~\$2,350,000.00~~ \$1,350,000 to the Agency of Transportation for the Replace Your Ride Program, established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

(6) ~~\$2,200,000~~ \$2,350,000 general funds and \$550,000 Transportation funds to the Agency of Transportation for the following:

* * *

(C) \$50,000 Transportation funds and ~~\$100,000~~ \$150,000 general funds to the Agency of Transportation for electric bicycle incentives.

(7) \$500,000 to the Agency of Transportation Electrify Your Fleet Program.

Sec. 72. 2023 Acts and Resolves No. 81, Sec. 8 is amended to read:

Sec. 8. EMERGENCY HOUSING TRANSITION; FUNDING; FISCAL YEAR 2024 BUDGET ADJUSTMENT

(a) ~~The Agency of Human Services shall hold in reserve~~ revert as much ~~funding spending authority~~ as possible ~~from during~~ 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 pursuant to the Secretary of Administration's discretion under 2023 Acts and Resolves No. 3, Sec. 109. ~~If 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, then the General Assembly may provide additional spending authority as needed.~~

* * *

Sec. 73. 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 each individual permit or permit application 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:

* * *

Sec. 74. 16 V.S.A. § 4025(b)(2) is amended to read:

(2) To cover the cost of fund auditing, accounting, revenue collection, and of short-term borrowing to meet fund cash flow requirements.

Sec. 75. 18 V.S.A. § 1001 is amended to read:

§ 1001. REPORTS TO COMMISSIONER OF HEALTH

* * *

(b) Public health records developed or acquired by State or local public health agencies that relate to HIV or AIDS and that contain either personally identifying information or information that may indirectly identify a person shall be confidential and only disclosed following notice to and written authorization from the individual subject of the public health record or the individual's legal representative. Notice otherwise required pursuant to this section shall not be required for disclosures to the federal government; other departments, agencies, or programs of the State; or other states' infectious disease surveillance programs if the disclosure is for the purpose of comparing

the details of potentially duplicative case reports, public health surveillance, or epidemiological follow-up, provided the information shall be shared using the least identifying information first so that the individual's name shall be used only as a last resort.

* * *

Sec. 76. 33 V.S.A. § 3511 is amended to read:

§ 3511. DEFINITIONS

As used in this chapter:

* * *

(7) “Family child care home” means a child care facility that provides care on a regular basis in the caregiver’s own residence ~~for not more than 10 children at any one time. Of this number, up to six children may be provided care on a full-time basis and the remainder on a part-time basis. As used in this subdivision, care of a child on a part-time basis shall mean care of a school-age child for not more than four hours a day. These limits shall not include children who reside in the residence of the caregiver, except:~~

~~(A) These part-time, school-age children may be cared for on a full-day basis during school closing days, snow days, and vacation days that occur during the school year.~~

~~(B) During the school summer vacation, up to 12 children may be cared for provided that at least six of these children are of school age and a second staff person is present and on duty when the number of children in attendance exceeds six. These limits shall not include children who are required by law to attend school (seven years of age and older) and who reside in the residence of the caregiver.~~

* * *

Sec. 77. 29 V.S.A. chapter 61 is amended to read:

CHAPTER 61. MUNICIPAL EQUIPMENT LOAN FUND

* * *

§ 1602. APPLICATION; LOANS; CONDITIONS

(a) Upon application of a municipality or two or more municipalities applying jointly, the State Treasurer may loan money from the Fund to that municipality or municipalities for the purchase of equipment. Purchases of equipment eligible for loans from the Fund shall have a useful life of at least five years and a purchase price of at least \$20,000.00 but shall not be eligible for loans in excess of ~~\$110,000.00~~ \$150,000.00 from this Fund.

(b) The Treasurer is authorized to establish terms and conditions, including repayment schedules of up to five years for loans from the Fund to ensure repayment of loans to the Fund. Before a municipality may receive a loan from the Fund, it shall give to the Treasurer security for the repayment of the funds. The security shall be in such form and amount as the Treasurer may determine and may include a lien on the equipment financed by the loan.

(c) The rates of interest shall be as established by this section to assist municipalities in purchasing equipment upon terms more favorable than in the commercial market. Such rates shall be ~~no~~ not more than two percent per annum for a loan to a single municipality, and loans shall bear no interest charge if made to two or more municipalities purchasing equipment jointly.

(d) In any fiscal year, new loans from the Municipal Equipment Fund shall not exceed an aggregate of \$1,500,000.00. The Treasurer shall put forth recommendations to the General Assembly on a maximum loan amount every five years, commencing on January 15, 2028, based on requests received and loans granted pursuant to this chapter.

* * *

Sec. 78. 3 V.S.A. chapter 18 is amended to read:

CHAPTER 18. VT SAVES

* * *

§ 532. VT SAVES PROGRAM; ESTABLISHMENT

* * *

(c) Contributions.

(1) Unless otherwise specified by the covered employee, a covered employee shall automatically initially contribute five percent of the covered employee's ~~salary or~~ wages to the Program. A covered employee may elect to opt out of the Program at any time or contribute at any higher or lower rate, expressed as a percentage of ~~salary or~~ wages, or, as permitted by the Treasurer, expressed as a flat dollar amount, subject in all cases to the IRA contribution and eligibility limits applicable under the Internal Revenue Code at no additional charge.

(2) The Treasurer shall provide for, on a uniform basis, an annual increase of each active participant's contribution rate, by not less than one percent, but not more than eight percent, of ~~salary or~~ wages each year. Any such increases shall apply to active participants, including participants by default with an option to opt out or participants who are initiated by affirmative participant election, provided that any increase is subject to the IRA contribution and eligibility limits applicable under the Internal Revenue Code.

* * *

§ 535. PENALTIES

(a) Failure to ~~enroll~~ comply. If a covered employer fails to ~~enroll a covered employee~~ be in compliance with this chapter without reasonable cause, the covered employer is subject to a penalty for each covered employee for each calendar year or portion of a calendar year during which the covered employee was not enrolled in the Program or had not opted out of participation in the Program. The amount of any penalty imposed on a covered employer for the failure to enroll a covered employee without reasonable cause is determined as follows:

* * *

(b) Waivers. The Treasurer is authorized to establish a rule waiving the penalty for a covered employer ~~for any failure to enroll a covered employee that fails to be in compliance with this chapter~~ for which it is established that the covered employer did not know that the failure existed and exercised reasonable diligence to meet the requirements of this chapter, provided that:

* * *

Sec. 79. 2023 Acts and Resolves No. 43, Sec. 2 is amended to read:

Sec. 2. VT SAVES; IMPLEMENTATION

(a) Subject to an appropriation from the General Assembly, the State Treasurer shall implement the VT Saves Program (Program), established in 3 V.S.A. chapter 18, ~~as follows:~~ in stages as determined by the Treasurer, which may include phasing in the Program based on the size of employers or other factors. The Program shall be implemented so that all covered employees will begin participation and make contributions on or before July 1, 2026

~~(1) Beginning on July 1, 2025, all covered employers with 25 or more covered employees shall offer the Program to all covered employees.~~

~~(2) Beginning on January 1, 2026, all covered employers with 15 to 24 covered employees shall offer the Program to all covered employees.~~

~~(3) Beginning on July 1, 2026, all covered employers with five to 14 covered employees shall offer the Program to all covered employees.~~

(b) As used in this section, “covered employer” and “covered employee” have the same meanings as in 3 V.S.A. § 531.

Sec. 80. 17 V.S.A. § 2732(a) is amended to read:

(a) The electors shall meet at the State House on the first ~~Monday~~ Tuesday after the second Wednesday in December next following their election to vote

for the President and Vice President of the United States, agreeably to the laws of the United States.

Sec. 81. 18 V.S.A. § 9435 is amended to read:

§ 9435. EXCLUSIONS

* * *

(g) With the approval of the Commissioner of Health, excluded from this subchapter is a facility in which the prescription, distribution, or administration of medication for opioid use disorder is a principal activity.

Sec. 82. 18 V.S.A. § 4772 is amended to read:

§ 4772. OPIOID SETTLEMENT ADVISORY COMMITTEE

* * *

(f) Meetings.

(1) The Commissioner of Health shall call the first meeting of the Advisory Committee to occur on or before June 30, 2022.

(2) The Advisory Committee shall meet at least quarterly but not more than ~~six~~ 12 times per calendar year.

(3) The Advisory Committee shall adopt procedures to govern its proceedings and organization, including voting procedures and how the staggered terms shall be apportioned among members.

(4) All meetings of the Advisory Committee shall be consistent with Vermont's Open Meeting Law pursuant to 1 V.S.A. chapter 5, subchapter 2.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Advisory 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 ~~six~~ 12 meetings per year. These payments shall be appropriated from the Opioid Abatement Special Fund.

(2) Other members of the Advisory Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than ~~six~~ 12 meetings per year. These payments shall be appropriated from the Opioid Abatement Special Fund.

Sec. 83. 27 V.S.A. § 1513 is amended to read:

§ 1513. PAYMENT OR DELIVERY OF PROPERTY TO
ADMINISTRATOR

* * *

(f) If property reported to the Administrator under section 1491 of this title is virtual currency, the holder shall liquidate the virtual currency and remit the proceeds to the Administrator. The liquidation shall occur anytime within 30 days prior to the remittance. The owner of the property shall not have recourse against the holder or the Administrator to recover any gain in value that occurs after the liquidation of the virtual currency for property properly reported as set forth in this chapter.

(g) The Administrator shall establish procedures for the registration, issuance, method of delivery, transfer, and maintenance of securities delivered to the Administrator by a holder.

~~(g)~~(h) An issuer, holder, and transfer agent or other person acting under this section under instructions of and on behalf of the issuer or holder is not liable to the apparent owner for, and must be indemnified by the State against, a claim arising with respect to property after the property has been delivered to the Administrator.

~~(h)~~(i) A holder is not required to deliver to the Administrator a security identified by the holder as a ~~non-freely~~ nonfreely transferable security. If the Administrator or holder determines that a security is no longer a ~~non-freely~~ nonfreely transferable security, the holder shall deliver the security on the next regular date prescribed for delivery of securities under this chapter. The holder shall make a determination annually whether a security identified in a report filed under section 1491 of this title as a ~~non-freely~~ nonfreely transferable security is no longer a ~~non-freely~~ nonfreely transferable security.

Sec. 84. 20 V.S.A. § 3173 is amended to read:

§ 3173. MONETARY BENEFIT

(a) The survivors of emergency personnel who dies while in the line of duty or from an occupation-related illness may apply for a payment of ~~\$50,000.00~~ \$80,000.00 from the State.

(b) The State Treasurer shall disburse from the Special Fund established in section 3175 of this title the monetary benefit described in subsection (a) of this section and shall adopt necessary procedures for the disbursement of such funds.

Sec. 85. 16 V.S.A. § 1949 is amended to read:

§ 1949. POSTRETIREMENT ADJUSTMENTS TO RETIREMENT ALLOWANCES

(a) Postretirement adjustments to retirement allowance. On January 1 of each year, the retirement allowance of each beneficiary of the System who is in receipt of a retirement allowance for at least a one-year period as of December 31 in the previous year, and who meets the eligibility criteria set forth in this section, shall be adjusted by the amount described in subsection (d) of this section. In no event shall a beneficiary receive a negative adjustment to the beneficiary's retirement allowance.

(b) Calculation of net percentage increase. Each year, a determination shall be made of any increase or decrease, to the nearest one-tenth of a percent, in the Consumer Price Index for the month ending on June 30 of that year to the average of the Consumer Price Index for the month ending on June 30 of the previous year.

~~(1) Consumer Price Index; maximum and minimum amounts. Any increase or decrease in the Consumer Price Index shall be subject to adjustment so as to remain within the following maximum and minimum amounts:~~

~~(A) For Group A members and Group C members who are eligible for normal retirement or unreduced early retirement, or who are vested deferred, on or before June 30, 2022, the maximum amount of any increase or decrease utilized to determine the net percentage increase shall be five percent.~~

~~(B) For Group C members who are eligible for retirement and leave active service on or after July 1, 2022, the maximum amount of any increase or decrease utilized to determine the net percentage increase shall be four percent.~~

~~(2) Consumer Price Index; decreases. In the event of a decrease of the Consumer Price Index as of June 30 for the preceding year, there shall be no adjustment to the retirement allowance of a beneficiary for the subsequent year beginning on January 1; provided, however, that:~~

~~(A) such decrease shall be applied as an offset against the first subsequent year's increase of the Consumer Price Index up to the full amount of such increase; and~~

~~(B) to the extent that such decrease is greater than such subsequent year's increase, such decrease shall be offset in the same manner against two or more years of such increases, for up to but not exceeding five subsequent years of such increases, until fully offset.~~

~~(3)(2) Consumer Price Index; increases. Subject to the maximum and minimum amounts set forth in subdivision (1) of this subsection, in In the event of an 4increase in the Consumer Price Index, and provided there remains an increase following the application of any offset as in subdivision ~~(2)~~(1) of~~

this subsection, that amount shall be identified as the net percentage increase and used to determine the members' postretirement adjustment as set forth in subsection (d) of this section.

(c) Eligibility for postretirement adjustment. In order for a beneficiary to receive a postretirement adjustment allowance, the beneficiary must meet the following eligibility requirements:

(1) ~~for~~ For any Group A or Group C member eligible for normal retirement, or who is vested deferred, on or before June 30, 2022, the member must be in receipt of a retirement allowance for at least 12 months prior to the January 1 effective date of any postretirement adjustment; ~~and~~.

(2) ~~for~~ For any Group C member who is first eligible for normal retirement and leaves active service on or after July 1, 2022, the member must be in receipt of a retirement allowance for at least 24 months prior to the January 1 effective date of any postretirement adjustment.

(3) Special rule for Group C early retirement. A Group C member in receipt of an early retirement allowance shall not receive a postretirement adjustment to the member's retirement allowance until such time as the member has reached normal retirement age, provided the member meets all eligibility criteria set forth in this subsection.

(d) Amount of postretirement adjustment. The postretirement adjustment for each member who meets the eligibility criteria set forth in subsection (c) of this section shall be as follows:

(1) the full amount of the net percentage increase calculated pursuant to subsection (b) of this section for all Group A members; ~~and~~, provided that:

(A) the net percentage increase following the application of any offset as provided in this section equals or exceeds one percent; and

(B) the maximum amount of any adjustment under this section shall be five percent; and

(2) one-half of the net percentage increase calculated pursuant to subsection (b) of this section for all Group C members;., provided that:

(A) For Group C members eligible for normal retirement or who are vested deferred on or before June 30, 2022, the maximum amount of any adjustment under this section shall be five percent. An adjustment of less than one percent shall be assigned a value of one percent.

(B) For Group C members first eligible for normal retirement and who leave active service on or after July 1, 2022, the maximum amount of any

adjustment under this section shall be four percent and the minimum amount shall be zero percent.

(e) As used in this section, “Consumer Price Index” ~~shall mean~~ means the Northeast Region Consumer Price Index for all urban consumers, designated as “CPI-U,” in the northeast region, as published by the U.S. Department of Labor, Bureau of Labor Statistics.

Sec. 86. 2023 Acts and Resolves No. 47, Sec. 36 is amended to read:

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, agreement or uses another legal mechanism, to ensure that, ~~to the extent the home value has risen,~~ the amount of the subsidy upon sale of the home, to the extent proceeds are available, the amount of the affordability subsidy either:

(i) remains with the home to offset the cost to future homebuyers;
or

(ii) is recaptured by the Agency upon sale of the home for use in a similar program to support affordable homeownership development; 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. 87. 2023 Acts and Resolves No. 47, Sec. 37 is amended to read:

~~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. [Repealed.]~~

Sec. 88. UNRESERVED EDUCATION FUNDS; VERMONT STATE
TEACHERS' RETIREMENT SYSTEM TRANSFER

(a) In fiscal year 2024, notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, the amount of \$9,100,000 in Education Fund dollars reserved in 2023 Acts and Resolves No. 78, Sec. D.104(a) is unreserved, and the sum of \$9,340,000 in Education Fund dollars is transferred to the Vermont Teachers' Retirement Fund, established in 16 V.S.A. § 1944, to fund the present value of modifications made to the postretirement adjustments allowance set forth in Sec. 85 of this act.

Sec. 89. TEMPORARY EMERGENCY HOUSING

(a) To the extent emergency housing is available, the Commissioner for Children and Families shall ensure that temporary emergency housing is provided through June 30, 2024 to households eligible for the General Assistance Emergency Housing Program, including beneficiaries of the emergency housing transition benefit that is set to conclude on April 1, 2024 and including those individuals who qualify for temporary emergency housing pursuant to both the Department's adverse weather condition policy and either catastrophic or vulnerable population eligibility. Participation pursuant to this subsection shall not be bound by day limit maximums and shall be subject to the following eligibility criteria:

(1) for beneficiaries of the emergency housing transition benefit, 2023 Acts and Resolves No. 81, Sec. 6, and Department for Children and Families, Emergency Housing Transition Benefit (EH-100), adopted under Secretary of State emergency rule filing number 23-E12 or any future identical emergency rule adopted by the Department; and

(2) for all other participants of the General Assistance Emergency Housing Program, including those individuals who qualify for temporary emergency housing pursuant to both the Department's adverse weather condition policy and either catastrophic or vulnerable population eligibility, Department for Children and Families, General Assistance (CVR 13-170-260) as amended by Department for Children and Families under Secretary of State emergency rule filing number 23-E11 or any future identical emergency rule adopted by the Department.

(b) A household that is otherwise eligible for temporary emergency housing pursuant to subsection (a) of this section, but for the inability to qualify for or document receipt of SSI or SSDI, may use the Department's Emergency Housing Disability Variance Request Form as a means of documenting a qualifying disability or health condition.

(c) Temporary emergency housing required pursuant to subsection (a) of this section may be provided through approved shelters, new unit generation, open units, licensed hotels or motels, or other appropriate shelter space. The Agency of Human Services shall, when available, prioritize temporary emergency housing at housing or shelter placements other than licensed hotels or motels.

(d) On or before the last day of each month from April 2024 through June 2024, the Agency of Human Services, or other relevant agency or department, shall continue submitting a substantially similar report to that due pursuant to 2023 Acts and Resolves No. 81, Sec. 6(b).

(e) For temporary emergency housing provided beginning on March 1, 2024 and thereafter, the Agency of Human Services shall not pay a licensed hotel or motel establishment more than the lowest advertised room rate and not more than \$80 a day per room to shelter a household experiencing homelessness. The Agency of Human Services may shelter a household in more than one licensed hotel or motel room depending on the household's size and composition.

(f) The Agency of Human Services shall apply the following rules:

(1) Section 2650.1 of the Department for Children and Families, General Assistance (CVR 13-170-260);

(2) Department of Health, Licensed Lodging Establishment Rule (CVR 13-140-023); and

(3) Department of Public Safety, Vermont Fire and Building Safety Code (CVR 28-070-001).

(g)(1) Prior to June 1, 2024, the Agency of Human Services may work with either a shelter provider or a community housing agency to enter into a full facility lease or sales agreement with a hotel or motel provider. Any facility conversion under this section shall comply with the Office of Economic Opportunity's shelter standards.

(2) If the Agency determines that a contractual agreement with a licensed hotel or motel operator to secure temporary emergency housing capacity is beneficial to improve the quality, cleanliness, or access to services for those households temporarily housed in the facility, the Agency shall be authorized to enter into such an agreement in accordance with the per-room rate identified in subsection (e) of this section; provided, however, that in no event shall such an agreement cause a household to become unhoused. The Agency may include provisions to address access to services or related needs within the contractual agreement.

Sec. 90. 2012 Acts and Resolves No. 71, Sec. 1, as amended by 2012 Acts and Resolves No. 143, Sec. 13, 2014 Acts and Resolves No. 189, Sec. 26, and 2017 Acts and Resolves No. 71, Sec. 24, is further amended to read:

Sec. 1. VERMONT STRONG MOTOR VEHICLE PLATES

~~(a) Intent.—It is the intent of this act to recognize all of those who have suffered losses because of the destruction brought by Tropical Storm Irene and the flooding of 2011, and to commemorate the contributions of the many who are helping to rebuild Vermont and to make it stronger. [Repealed.]~~

~~(b) Authority; accounting and reporting; bundles.~~

(1) ~~The department of motor vehicles (“department”)~~ Department of Motor Vehicles is authorized to design, manufacture or procure, and distribute one or more commemorative plates that include the text “Vermont Strong” in accordance with this section. ~~The department and Vermont Life magazine are~~ Department is authorized to sell commemorative plates individually or in conjunction with a bundled promotional item. ~~The department~~ Department may also authorize other persons to sell commemorative plates, provided that such persons are required to pay the ~~department~~ Department ~~\$25.00~~ \$35.00 per plate within 30 days ~~of~~ after receiving the plates from the ~~department~~ Department.

(2) ~~A~~ The Vermont Strong commemorative plate fund (the “fund”) Commemorative Plate Fund is established. ~~The fund~~ Fund shall be under the control of the ~~commissioner of motor vehicles~~ Commissioner of Motor Vehicles or designee, and shall consist of all receipts from the sales of Vermont Strong commemorative plates and bundled promotional items. ~~The commissioner~~ Commissioner shall account for all proceeds of sales of commemorative plates and bundled promotional items and all receipts into and disbursements from the ~~fund~~ Fund; shall track the number of plates and bundled promotional items distributed and sold; and shall track and collect payments owed for plates distributed. ~~The commissioner~~ Commissioner shall transfer funds from the ~~fund~~ Fund in accordance with subsection (d) of this section ~~no~~ not less often than once per month. ~~The department~~ Department shall report its accounting of ~~fund~~ Fund receipts and disbursements, plate inventory, and uncollected payments for plates distributed to the ~~joint fiscal committee at its November 2012 meeting~~ House and Senate Committees on Transportation and the Joint Fiscal Committee not later than May 1, 2024.

(c) Use. An approved Vermont Strong commemorative plate may be displayed on a motor vehicle registered in Vermont as a pleasure car or on a motor truck registered in Vermont for less than 26,001 pounds (~~and~~ but excluding vehicles registered under the International Registration Plan), by covering the front registration plate with the commemorative plate any time from the effective date of this act. The regular front registration plate shall not be removed. The regular rear registration plate shall be in place and clearly visible at all times.

(d) Price and allocation of revenue.

(1) The retail price of the plate shall be ~~\$25.00~~ \$35.00, except that on or after July 1, ~~2016~~ 2026, plates may be sold by the Commissioner for \$5.00.

(2) Funds received from the sale of plates for \$5.00 shall be allocated to the Department; funds received from the sale of the plates for ~~\$25.00~~ \$35.00 shall be allocated as follows:

~~(1)(A)~~ \$5.00 to the Department;

~~(2)(B)~~ ~~\$18.00 to the Vermont Disaster Relief Fund~~ \$15.00 to the Vermont Community Foundation; and

~~(3)(C)~~ ~~\$2.00 to the Vermont Foodbank~~ \$15.00 to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program.

(3) Funds received from the sale of bundled promotional items, less any costs to the Department for the purchase of the bundled promotional items, shall be allocated as follows:

(A) 50 percent to the Vermont Community Foundation; and

(B) 50 percent to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program.

~~(e) Funding. The department of motor vehicles~~ Department of Motor Vehicles is authorized to obtain an advance from the Vermont Strong ~~commemorative plate fund~~ Commemorative Plate Fund in an anticipation of receipts. ~~The amount to be determined by the commissioner of motor vehicles in anticipation of receipts from the administration of this section~~ Commissioner of Motor Vehicles shall not exceed the projected number of plates to be sold multiplied by the amount provided in subdivision (d)(2)(A) of this section.

~~(f) Tax exemption. Sales of commemorative plates pursuant to this section shall be exempt from the sales and use tax established by 32 V.S.A. chapter 233.~~

Sec. 91. 2012 Acts and Resolves No. 71, Sec. 1, as amended by 2012 Acts and Resolves No. 143, Sec. 13, 2014 Acts and Resolves No. 189, Sec. 26, 2017 Acts and Resolves No. 71, Sec. 24, and Sec. 90 of this act is further amended to read:

Sec. 1. VERMONT STRONG MOTOR VEHICLE PLATES

(a) [Repealed.]

(b) Authority; accounting and reporting; ~~bundles.~~

(1) The Department of Motor Vehicles is authorized to design, manufacture or procure, and distribute one or more commemorative plates that include the text "Vermont Strong" in accordance with this section. The Department is authorized to sell commemorative plates ~~individually or in conjunction with a bundled promotional item.~~ The Department may also authorize other persons to sell commemorative plates, provided that such

persons are required to pay the Department \$35.00 per plate within 30 days after receiving the plates from the Department.

(2) The Vermont Strong Commemorative Plate Fund is established. The Fund shall be under the control of the Commissioner of Motor Vehicles, or designee, and shall consist of all receipts from the sales of Vermont Strong commemorative plates and bundled promotional items. The Commissioner shall account for all proceeds of sales of commemorative plates and bundled promotional items and all receipts into and disbursements from the Fund; shall track the number of plates and bundled promotional items distributed and sold; and shall track and collect payments owed for plates distributed. The Commissioner shall ~~transfer~~ disburse funds from the Fund in accordance with subsection (d) of this section not less often than once per month. The Department shall report its accounting of Fund receipts and disbursements, plate inventory, and uncollected payments for plates distributed to the House and Senate Committees on Transportation and the Joint Fiscal Committee not later than May 1, 2024.

* * *

(d) Price and allocation of revenue.

(1) The retail price of the plate shall be \$35.00, except that on or after July 1, 2026, plates may be sold by the Commissioner for \$5.00.

(2) Funds received from the sale of plates for \$5.00 shall be allocated to the Department; funds received from the sale of the plates for \$35.00 shall be allocated as follows:

(A) \$5.00 to the Department; and

(B) ~~\$15.00~~ \$30.00 to the Vermont Community Foundation; and

~~(C) \$15.00 to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program~~ General Fund. It is the intent of the General Assembly that an amount equal to these receipts be used for natural disaster relief.

(3) Funds received from the sale of bundled promotional items prior to the effective date of this section, less any costs to the Department for the purchase of the bundled promotional items, shall be allocated as follows:

(A) 50 percent to the Vermont Community Foundation; and

(B) 50 percent to the Agency of Commerce and Community Development's Business Emergency Gap Assistance Program.

* * *

(g) Bundled promotional items. The State shall not be involved with the sale of any bundled promotional items.

Sec. 92. FEDERAL EMERGENCY MANAGEMENT AGENCY
REPORTING AND OVERSIGHT

(a) The Secretary of Administration shall report to the Joint Fiscal Committee at each of its scheduled meetings in fiscal years 2024 and 2025 on funding received from the Federal Emergency Management Agency (FEMA) Public Assistance Program and associated emergency relief and assistance funds match for the damages due to the July 2023 flooding event. The report shall include:

(1) a projection of the total funding needs for the Federal Emergency Management Agency (FEMA) Public Assistance Program and to the extent possible, details about the projected funding by State agency or municipality;

(2) spending authority (appropriated and excess receipts) granted to date for the FEMA Public Assistance Program and the associated emergency relief and assistance funds match;

(3) information on any audit findings that may result in financial impacts to the State; and

(4) actual expenditures to date made from the spending authority granted and to the extent possible, details about the expended funds by State agency or municipality.

(b) Reports shall be posted on the legislative and administration websites after submission.

Sec. 93. 2010 Acts and Resolves No. 83, Sec. 2, as amended by 2013 Acts and Resolves No. 65, Sec. 1, 2016 Acts and Resolves No. 117, Sec. 2, and 2019 Acts and Resolves No. 5, Sec. 1, is further amended to read:

Sec. 2. CERTIFICATE OF NEED WORK GROUP; MORATORIUM

* * *

(d) Notwithstanding any other provision of law, no CON shall be granted for the offering of home health services, which includes hospice, or for a new home health agency during the period beginning on the effective date of this act and continuing through January 1, ~~2025~~ 2030, or until the General Assembly lifts the moratorium after considering a progress report on the Green Mountain Care Board's implementation of its health care reform initiatives and health planning function and how they relate to home health agencies, whichever occurs first; provided, however, that the moratorium established pursuant to this subsection shall not apply to a continuing care retirement

community that has been issued a certificate of authority or to a licensed home for persons who are terminally ill as defined in 33 V.S.A. § 7102.

* * *

Sec. 94. 2013 Acts and Resolves No. 65, Sec. 2, as amended by 2016 Acts and Resolves No. 117, Sec. 3 and 2019 Acts and Resolves No. 5, Sec. 2, is further amended to read:

Sec. 2. PERIODIC HEALTH PLANNING FUNCTION PROGRESS REPORTS

For as long as the moratorium continues for certificates of need for the offering of home health services, as established in 2010 Acts and Resolves No. 83, Sec. 2 and as amended by 2013 Acts and Resolves No. 65, Sec. 1, 2016 Acts and Resolves No. 117, Sec. 2, 2019 Acts and Resolves No. 5, Sec. 1, and this act, the Green Mountain Care Board shall provide to the House Committees on Health Care and on Human Services and the Senate Committee on Health and Welfare any progress reports the Board generates on its implementation of its health care reform initiatives and health planning function and how they relate to home health agencies.

Sec. 95. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

* * *

(b) Notwithstanding subsection (a) of this section, an employer shall not pay an employee less than one and one-half times the regular wage rate for any work done by the employee in excess of 40 hours during a workweek. However, this subsection shall not apply to:

* * *

(8) Permanent employees of the Vermont General Assembly.

* * *

Sec. 96. 2023 Acts and Resolves No. 64, Sec. 3a. is amended to read:

Sec. 3a. APPROPRIATION; SCHOOL MEALS

The sum of ~~\$29,000,000.00~~ \$24,000,000 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.

Sec. 97. 16 V.S.A. chapter 1, subchapter 3 is added to read:

Subchapter 3. Afterschool and Summer Care

§ 51. UNIVERSAL AFTERSCHOOL AND SUMMER SPECIAL FUND

(a) The Universal Afterschool and Summer Special Fund is created, to be managed by the Agency of Education. The cannabis sales tax revenue shall be deposited into the Universal Afterschool and Summer Special Fund. The Fund shall be used as follows:

(1) To establish a grant program that supports the expansion of universal afterschool and summer programs with a focus on underserved areas of the State.

(2) Cannabis sales tax revenue shall be used to support a mixed delivery system for afterschool and summer programming. Eligible recipients can be public, private, or nonprofit organizations.

(A) Grants may be used for technical assistance, program implementation, program expansion, program sustainability, and related costs.

(B) Funds may be used to directly target communities with low existing capacity to serve youth in afterschool and summer settings.

(C) The award of grants and any subsequent contract or written agreement issued pursuant to the award of a grant shall require that a grantee does not discriminate, and prohibits its employees, agents, subcontractors, and other service providers from discriminating, on the basis of race, creed, color, national origin, marital status, sex, sexual orientation, gender identity, or disability.

(D) The Agency may use up to \$500,000.00 annually 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 program.

(b) An advisory committee is created to support the Secretary in administering the funds. The Agency shall provide administrative and technical support to the advisory committee. The advisory committee shall 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.

(c) Notwithstanding 2 V.S.A. § 20(d), annually on or before November 15, the Agency shall submit to the General Assembly a plan to fund grants pursuant to subsection (a) of this section in the coming year and a report containing outcomes data on the grants made during the previous year. The Agency shall report on the number of programs, slots, weeks, or hours; geographic distribution of programs receiving a grant; and what is known about costs to families participating in programs receiving a grant. The report shall be inclusive of 21st Century programming.

(d) 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. chapter 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.

Sec. 98. 32 V.S.A. chapter 207 is amended to read:

CHAPTER 207. CANNABIS EXCISE TAX AND CANNABIS
SALES TAX REVENUE

* * *

§ 7910. CANNABIS SALES TAX REVENUE; UNIVERSAL
AFTERSCHOOL AND SUMMER SPECIAL FUND

Notwithstanding 16 V.S.A. § 4025, revenue from the sales and use tax imposed by chapter 233 of this title on retail sales of cannabis or cannabis products in Vermont shall be deposited into the Universal Afterschool and Summer Special Fund established pursuant to 16 V.S.A. § 51.

Sec. 99. REPEAL; AFTERSCHOOL AND SUMMER LEARNING
PROGRAMS

16 V.S.A § 4018 (afterschool and summer learning programs) is repealed.

Sec. 99a. 2023 Acts and Resolves No. 78, Sec. E.323.7 is amended to read:

Sec. E.323.7 REACH AHEAD PILOT PROGRAM

* * *

(c) The incentive payments provided in subdivision (a)(4) of this section are reimbursements for past or future work expenses incurred by participating families.

Sec. 100. 7 V.S.A. § 843(f) is amended to read:

(f) Executive Director. The Board shall appoint an Executive Director who shall be an attorney with have prior experience in legislative or regulatory

matters. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:

(1) supervising and administering the operation and implementation of this chapter and chapters 35 and 37 of this title and the rules adopted by the Board as directed by the Board;

(2) assisting the Board in its duties and administering the licensing requirements of this chapter and chapters 35 and 37 of this title;

(3) acting as Secretary to the Board, but as a nonvoting member of the Board;

(4) employing such staff as may be required to carry out the functions of the Board; and

(5) preparing an annual budget for submission to the Board.

Sec. 101. FOSTER CARE; SUBSIDIZED ADOPTION; EXPENDITURE

(a) The Department for Children and Families' Family Services Division shall spend funds appropriated in 2023 Acts and Resolves No. 78, Sec. B.317 on a four percent rate increase for foster care and subsidized adoption.

Sec. 102 2021 Acts and Resolves No. 9, Sec. 17 is amended to read:

Sec. 17. PRACTICAL NURSE; WORKFORCE FUNDING

(a) Due to the increasing challenge of the pandemic on the health professions, the sum of \$1,400,000.00 is appropriated from the American Rescue Plan Act of 2021 - Coronavirus State Fiscal Recovery Fund to the Vermont State Colleges to ~~open 40 to 45 seats in the Practical Nurse Program in partnership with skilled nursing facilities across the State to upskill existing staff to achieve certification as a practical nurse~~ purchase nursing simulation equipment to expand nursing student enrollment capacity and address the critical nursing shortage facing Vermont. These funds shall be used as follows:

(1) Up to \$500,000.00 for administrative and start-up costs for Vermont Technical College.

(2) Up to \$260,000.00 in incentive payments in the amount of \$6,000.00 per student to offset lost income during enrollment in the Program.

(3) All remaining funds shall be allocated for tuition and fees payments for required prerequisite courses at Community College of Vermont and for the Practical Nurse Program at Vermont Technical College after available federal and State financial aid is applied to ensure no cost to the student.

(b) To be eligible to participate in the program, a skilled nursing facility shall provide an incentive match in the amount of \$4,000.00 per student during enrollment in the Program.

Sec. 103. CARRYFORWARD AUTHORITY

(a) Notwithstanding any other provisions of law and subject to the approval of the Secretary of Administration, General, Transportation, Transportation Infrastructure Bond, Education Fund, Clean Water Fund (21932), and Agricultural Water Quality Fund (21933) appropriations remaining unexpended on June 30, 2024 in the Executive Branch shall be carried forward and shall be designated for expenditure.

(b) Notwithstanding any other provisions of law, General Fund appropriations remaining unexpended on June 30, 2024 in the Legislative and Judicial Branches shall be carried forward and shall be designated for expenditure.

(c) As part the fiscal year 2025 budget adjustment presentation, the Commissioner of Finance and Management shall provide the House and Senate Committees on Appropriations with a report on reversions and approved carryforward by appropriation.

Sec. 104. EFFECTIVE DATES

(a) Notwithstanding 1 V.S.A. § 214, Sec. 74 (16 V.S.A. § 4025(b)(2) amendment) is effective retroactively on July 1, 2023.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 20 (B.334.1 amendment) is effective retroactively on January 1, 2024.

(c) Notwithstanding 1 V.S.A. § 214, Sec. 90 (Vermont Strong license plates through passage) shall take effect retroactively on August 23, 2023.

(d) All other sections shall take effect on passage.

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.

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

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

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, February 29, 2024.

THURSDAY, FEBRUARY 29, 2024

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bill Referred to Committee on Finance**H. 801.**

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

An act relating to approval of the adoption of the charter of the Town of Waterbury.

Bill Referred to Committee on Appropriations**S. 55.**

Senate 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 authorizing public bodies to meet electronically under Vermont's Open Meeting Law.

Bill Amended; Bill Passed**S. 209.**

Senate bill entitled:

An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers, and to juvenile offenses in the Criminal Division.

Was taken up.

Thereupon, pending third reading of the bill, Senator Baruth moved to amend the bill in Sec. 1, 13 V.S.A. § 4083, by striking subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c)(1) A person who manufactures a firearm or frame or receiver of a firearm, including by a three-dimensional printer, shall cause the firearm, frame, or receiver to be imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) This subsection shall not apply to:

(A) a federally licensed firearms manufacturer acting within the scope of the manufacturer's license; or

(B) temporary possession or transfer of a firearm or frame or receiver of a firearm for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title.

Which was agreed to.

Thereupon, the bill was read the third time and passed

Bill Passed in Concurrence

H. 516.

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

An act relating to approval of amendments to the charter of the City of Essex Junction.

Third Reading Ordered

H. 469.

Senator Lyons, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to remote and electronic processes for executing an advance directive.

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.

Adjournment

On motion of Senator Baruth, the Senate adjourned until ten o'clock and twenty minutes in the morning.

FRIDAY, MARCH 1, 2024

The Senate was called to order by the President.

Recess

The Chair declared a recess until the fall of the gavel.

Called to Order

The Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 26

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 780. An act relating to judicial nominations and appointments.

H. 847. An act relating to peer support provider and recovery support specialist certification.

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

Committee Relieved of Further Consideration; Bill Committed**S. 85.**

On motion of Senator Ingalls, the Committee on Institutions was relieved of further consideration of Senate bill entitled:

An act relating to allowing probation and parole officers to carry firearms while on duty.

And the bill was committed to the Committee on Judiciary.

Bill Referred to Committee on Finance**S. 301.**

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

An act relating to miscellaneous agricultural subjects.

Bill Referred to Committee on Appropriations**S. 220.**

Senate 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 Vermont's public libraries.

**Message from the Governor
Appointment Referred**

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointment, which were referred to committee as indicated:

The nomination of

Gallagher, Kate T. of Williston - Superior Court Judge - from March 1, 2024 to March 31, 2029.

To the Committee on Judiciary.

Bills Referred

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

H. 780.

An act relating to judicial nominations and appointments.

To the Committee on Judiciary.

H. 847.

An act relating to peer support provider and recovery support specialist certification.

To the Committee on Health and Welfare.

Bill Passed in Concurrence

H. 469.

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

An act relating to remote and electronic processes for executing an advance directive.

Bill Amended; Third Reading Ordered

S. 187.

Senator Weeks, for the Committee on Health and Welfare, to which was referred Senate bill entitled:

An act relating to student application of sunscreen and car seat safety.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 16 V.S.A. § 1389 is added to read:

§ 1389. POSSESSION AND APPLICATION OF SUNSCREEN

(a) Pursuant to the requirements of this section, each public and approved independent school in the State shall permit students, with the written authorization of a parent or guardian, to possess and self-administer a topical, nonaerosolized sunscreen while on school property or at a school-sponsored event or activity without being required to provide a medical provider's note or prescription or having to store the sunscreen in a specific location. A school shall keep on file a parent's or guardian's written authorization.

(b) School personnel shall not be required to assist students in applying sunscreen and shall not be responsible for ensuring that the sunscreen is applied to the student.

(c) The school and school personnel shall be immune from civil liability for any actions taken in good faith in reliance on the provisions of this section. This section shall not apply to recklessness or intentional misconduct on the part of the school or school personnel.

(d) As used in this section, "sunscreen" means a product regulated by the U.S. Food and Drug Administration for over-the-counter use for the purpose of limiting ultraviolet-light-induced skin damage.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

"An act relating to student application of sunscreen."

And that when so amended the bill ought to pass.

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

Bill Amended; Third Reading Ordered**S. 302.**

Senator Williams, for the Committee on Health and Welfare, to which was referred Senate bill entitled:

An act relating to public health outreach programs regarding dementia risk.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 33 V.S.A. § 6221 is amended to read:

§ 6221. PUBLIC EDUCATION RESOURCES

(a) The Departments of Health and of Disabilities, Aging, and Independent Living shall jointly develop and maintain easily accessible electronic, print, and in-person public education materials and programs on Alzheimer's disease and related disorders that shall serve as a resource for patients, families, caregivers, and health care providers. The Departments shall include information about the State Plan on Aging as well as resources and programs for prevention, care, and support for individuals, families, and communities.

(b)(1) The Departments of Health, of Mental Health, and of Disabilities, Aging, and Independent Living, in consultation with the Commission on Alzheimer's Disease and Related Disorders and other relevant workgroups and community organizations, shall, as part of existing and relevant public health outreach programs:

(A) educate health care providers regarding:

(i) the value of early detection and timely diagnosis of Alzheimer's disease and other types of dementia;

(ii) validated assessment tools for the detection and diagnosis of Alzheimer's disease, younger-onset Alzheimer's disease, and other types of dementia;

(iii) the benefits of a Medicare annual wellness visit or other annual physical for an adult 65 years of age or older to screen for Alzheimer's disease and other types of dementia;

(iv) the significance of recognizing the family care partner as part of the health care team;

(v) the Medicare care planning billing code for individuals with Alzheimer's disease and other types of dementia; and

(vi) the necessity of ensuring that patients have access to language access services, when appropriate; and

(B) increase public understanding and awareness of:

(i) the early warning signs of Alzheimer's disease and other types of dementia; and

(ii) the benefits of early detection and timely diagnosis of Alzheimer's disease and other types of dementia.

(2) In their public health outreach programs and any programming and information developed for providers pertaining to Alzheimer's disease and other types of dementia, the Departments shall provide uniform, consistent guidance in nonclinical terms with an emphasis on cultural competency as

defined in 18 V.S.A. § 251 and health literacy, specifically targeting populations at higher risk for developing dementia.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

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

Message from the House No. 27

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 629. An act relating to changes to property tax abatement and tax sales.

H. 694. An act relating to sexual exploitation.

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 House bill of the following title:

H. 839. An act related to fiscal year 2024 budget adjustments.

And has adopted the same on its part and ordered the bill delivered to the Governor.

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

H.C.R. 164. House concurrent resolution recognizing April 2024 as the Month of the Military Child in Vermont and supporting the important work it represents.

H.C.R. 165. House concurrent resolution congratulating the 2024 Essex High School Hornets Division I championship boys' indoor track and field team.

H.C.R. 166. House concurrent resolution congratulating the Essex High School Hornets girls' volleyball team on winning its third consecutive State championship.

H.C.R. 167. House concurrent resolution commemorating the centennial of U.S. Navy Torpedoman 2nd Class Henry Breault's becoming the first submariner to receive the Medal of Honor.

H.C.R. 168. House concurrent resolution honoring the artistic legacy of Skip Morrow and The Art of Humor Gallery in Wilmington.

H.C.R. 169. House concurrent resolution honoring Norwich University Athletic Hall of Fame member Harold Martin, in celebration of Black History Month.

H.C.R. 170. House concurrent resolution honoring Putney Fire Chief Thomas Goddard for his exemplary achievements as a municipal public safety official.

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

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. Morgan and others,

H.C.R. 164.

House concurrent resolution recognizing April 2024 as the Month of the Military Child in Vermont and supporting the important work it represents.

By Reps. Dodge and others,

By Senators Vyhovsky and Wrenner,

H.C.R. 165.

House concurrent resolution congratulating the 2024 Essex High School Hornets Division I championship boys' indoor track and field team.

By Reps. Dodge and others,

By Senators Vyhovsky and Wrenner,

H.C.R. 166.

House concurrent resolution congratulating the Essex High School Hornets girls' volleyball team on winning its third consecutive State championship.

By Reps. Morgan and others,

H.C.R. 167.

House concurrent resolution commemorating the centennial of U.S. Navy Torpedoman 2nd Class Henry Breault's becoming the first submariner to receive the Medal of Honor.

By Rep. Roberts,

H.C.R. 168.

House concurrent resolution honoring the artistic legacy of Skip Morrow and The Art of Humor Gallery in Wilmington.

By Reps. Donahue and others,

By Senators Cummings, Perchlik, Ram Hinsdale and Watson,

H.C.R. 169.

House concurrent resolution honoring Norwich University Athletic Hall of Fame member Harold Martin, in celebration of Black History Month.

By Rep. Mrowicki,

By Senators Harrison and Hashim,

H.C.R. 170.

House concurrent resolution honoring Putney Fire Chief Thomas Goddard for his exemplary achievements as a municipal public safety official.

Adjournment

On motion of Senator Clarkson, the Senate adjourned, to reconvene on Tuesday, March 12, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 33.

TUESDAY, MARCH 12, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Tom Harty of Bethel.

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 fourth day of March he approved and signed bill originating in the Senate of the following title:

S. 154. An act relating to the Vermont State Plane Coordinate System.

Bills Referred to Committee on Finance

Senate bills of the following titles, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule were severally referred to the Committee on Finance:

S. 184. An act relating to the use of automated traffic law enforcement (ATLE) systems.

S. 254. An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program.

Bill Referred to Committee on Appropriations

S. 206.

Senate 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 designating Juneteenth as a legal holiday.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 48.

Joint Senate resolution of the following titles was offered, read and adopted on the part of the Senate, and is as follows:

By Senator Baruth,

J.R.S. 48. Joint resolution relating to weekend adjournment on March 15, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 15, 2024, it be to meet again no later than Tuesday, March 19, 2024.

Bills Referred

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

H. 629.

An act relating to changes to property tax abatement and tax sales.

To the Committee on Finance.

H. 694.

An act relating to sexual exploitation.

To the Committee on Judiciary.

Third Reading Ordered**J.R.S. 41.**

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

Joint resolution requesting that the U. S. Postal Service reestablish, as rapidly as possible, a full-service U.S. Post Office in downtown Montpelier.

Reported that the joint resolution ought to be adopted.

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

Bills Passed

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

S. 187. An act relating to student application of sunscreen and car seat safety.

S. 302. An act relating to public health outreach programs regarding dementia risk.

Bill Amended; Third Reading Ordered**S. 109.**

Senator Gulick, for the Committee on Health and Welfare, to which was referred Senate bill entitled:

An act relating to Medicaid coverage for doula services.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 33 V.S.A. § 1901m is added to read:

§ 1901m. MEDICAID COVERAGE FOR DOULA SERVICES

(a) The Department of Vermont Health Access shall provide reimbursement to a qualified doula for providing childbirth education and support services, including physical and emotional support, to an individual covered by Medicaid during pregnancy, labor and delivery, and the postpartum period, regardless of the outcome of the pregnancy.

(b) As used in this section, “qualified doula” means a doula who is registered with or certified or licensed by the Office of Professional Regulation.

Sec. 2. MEDICAID REIMBURSEMENT FOR DOULA SERVICES;
LEGISLATIVE INTENT

It is the intent of the General Assembly that the Department of Vermont Health Access reimburse qualified doulas in amounts that are reasonable and adequate for the services provided and that are consistent with the reimbursement rates set by other states’ Medicaid programs.

Sec. 3. OFFICE OF PROFESSIONAL REGULATION; DOULAS; SUNRISE
REVIEW

(a) The Office of Professional Regulation, in consultation with interested stakeholders, shall undertake a review of doulas in accordance with 26 V.S.A. chapter 57 to determine the appropriate form of regulation for the profession. For purposes of this review, and in accordance with 26 V.S.A. § 3105(b), the General Assembly finds that it is necessary for the State to regulate doulas.

(b) On or before January 8, 2025, the Office of Professional Regulation shall report the results of the review required by subsection (a) of this section to the House Committees on Health Care and on Government Operations and Military Affairs and the Senate Committees on Health and Welfare and on Government Operations, including a recommendation regarding whether doulas in Vermont would be regulated most appropriately through a registration, certification, or licensure process, along with the Office’s proposals for legislative action to establish that process.

Sec. 4. STATE PLAN AMENDMENT

The Department of Vermont Health Access shall seek a state plan amendment from the Centers for Medicare and Medicaid Services if needed to allow Vermont’s Medicaid program to provide coverage for doula services in accordance with Sec. 1 of this act.

Sec. 5. EFFECTIVE DATES

(a) Sec. 1 shall take effect on July 1, 2025 or, if a state plan amendment is necessary, upon approval of the state plan amendment, whichever is later.

(b) The remaining sections shall take effect on passage.

And that when so amended the bill ought to pass.

Senator Lyons, for the Committee on Appropriations, to which the bill was referred, reported recommending that the report of the Committee on Health and Welfare be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. OFFICE OF PROFESSIONAL REGULATION; DOULAS; SUNRISE REVIEW

(a) The Office of Professional Regulation, in consultation with interested stakeholders, shall undertake a review of doulas in accordance with 26 V.S.A. chapter 57 to determine the appropriate form of regulation for the profession. For purposes of this review, and in accordance with 26 V.S.A. § 3105(b), the General Assembly finds that it is necessary for the State to regulate doulas.

(b) On or before January 8, 2025, the Office of Professional Regulation shall report the results of the review required by subsection (a) of this section to the House Committees on Health Care and on Government Operations and Military Affairs and the Senate Committees on Health and Welfare and on Government Operations, including a recommendation regarding whether doulas in Vermont would be regulated most appropriately through a registration, certification, or licensure process, along with the Office's proposals for legislative action to establish that process.

Sec. 2. MEDICAID COVERAGE FOR DOULA SERVICES; COSTS; REPORT

(a) As used in this section, "qualified doula" means a doula who is registered with or certified or licensed by the Office of Professional Regulation.

(b) The Department of Vermont Health Access shall develop a proposed methodology and determine the estimated costs if Vermont Medicaid were to provide reimbursement to qualified doulas for providing childbirth education and support services, including physical and emotional support, to individuals covered by Medicaid during pregnancy, labor and delivery, and the postpartum period, regardless of the outcome of the pregnancy.

(c) In its fiscal year 2026 budget proposal, the Department shall provide:

(1) its proposed reimbursement methodology for and estimated costs of providing Medicaid coverage for doula services;

(2) a recommendation for whether doula services should be covered by Vermont Medicaid;

(3) if doula services are covered, ways to recognize the potentially beneficial impacts of doula coverage on Medicaid spending over time; and

(4) information regarding whether a Medicaid state plan amendment would be necessary in order for Vermont Medicaid to cover doula services.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of the Committee on Health and Welfare was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Health and Welfare, as amended? was agreed to and third reading of the bill was ordered.

Bill Amended; Third Reading Ordered**S. 189.**

Senator Lyons, for the Committee on Health and Welfare, to which was referred Senate bill entitled:

An act relating to mental health response service protocols.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. § 7260 is added to read:

§ 7260. MENTAL HEALTH RESPONSE SERVICE GUIDELINES

(a) The Department shall develop guidelines for use by municipalities, including use by emergency medical technicians and public safety personnel, such as law enforcement officers as defined by 20 V.S.A. § 2351a and firefighters as defined in 20 V.S.A. § 3151, who are employed, volunteer, or are under contract with a municipality. The guidelines shall recommend best practices for de-escalation and for mental health response services, including crisis response services. The Department shall make the guidelines available to municipalities and publish the guidelines on the Department's website.

(b) In developing the guidelines required pursuant to subsection (a) of this section, the Department shall consult with the following entities:

- (1) the Department of Health;
- (2) the Department of Disabilities, Aging, and Independent Living;
- (3) the Department of Public Safety;
- (4) the Vermont Care Partners;
- (5) the Vermont Psychiatric Survivors;
- (6) the Vermont chapter of the National Alliance on Mental Illness;

- (7) the Vermont Criminal Justice Council;
- (8) the Vermont League of Cities and Towns; and
- (9) any other entity the Department deems appropriate.

Sec. 2. PRESENTATION; SOCIAL SERVICE PROVIDER SAFETY

(a) On or before November 15, 2024, the Agency of Human Services, in collaboration with the Vermont chapter of the National Association of Social Workers, shall convene one or more meetings related to social service provider safety with community-based social service organizations.

(1) The following community-based social service organizations and professions may be included in the meeting or meetings described in this subsection:

- (A) the Vermont Network Against Domestic and Sexual Violence;
- (B) the Vermont Coalition to End Homelessness;
- (C) mental health and health care providers;
- (D) community action programs;
- (E) restorative justice service providers; and
- (F) disability service providers and advocates.

(2) In advance of the meeting or meetings described in this subsection, the participating community-based social service organizations and professions may review both studies related to social service provider safety and individual social service provider safety experiences.

(b) On or before January 31, 2025, the Agency of Human Services, in collaboration with the Vermont chapter of the National Association of Social Workers, shall present findings and recommendations to the House Committee on Human Services and the Senate Committee on Health and Welfare, including a list of the community-based social service organizations that participated in the meeting or meetings and the number of meetings convened.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

“An act relating to mental health response service guidelines and social service provider safety.”

And that when so amended the bill ought to pass.

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

Bill Amended; Third Reading Ordered

S. 191.

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

An act relating to New American Advancement Grant Applicants.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 16 V.S.A. § 2846 is amended to read:

§ 2846. ADVANCEMENT GRANTS

(a) The Corporation may establish an advancement grant program for residents pursuing nondegree education and training opportunities who do not meet the definition of student in subdivision 2822(3) of this title; and who may not meet the requirements of this subchapter.

(b) Advancement grants may be used at institutions that are not approved postsecondary education institutions.

(c) The Corporation may adopt rules or establish policies, procedures, standards, and forms for advancement grants, including the requirements for applying for and using the grants and the eligibility requirements for the institutions where the grants may be used. Such rules shall be consistent with subsection (d) of this section.

(d) Notwithstanding subsection (a) of this section, applicants who qualify for in-state tuition to the Community College of Vermont pursuant to subsection 2185(c) of this title shall not be ineligible for the advancement grant solely on account of the applicant's residency status under subdivision 2822(7) of this title. The Corporation shall establish policies, procedures, standards, or forms regarding required documentation for eligibility under this subsection.

Sec. 2. INCENTIVE GRANT ELIGIBILITY; RESIDENCY

(a) Notwithstanding any provision of law to the contrary, a person who qualifies for in-state tuition to the Community College of Vermont pursuant to 16 V.S.A. § 2185(c) shall not be ineligible for the Vermont incentive grant program under 16 V.S.A. §§ 2841–2844 solely on account of that person's residency status.

(b) This section shall be repealed on July 1, 2027.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

“An act relating to New American educational grant opportunities.”

And that when so amended the bill ought to pass.

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

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, March 13, 2024.

WEDNESDAY, MARCH 13, 2024

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. 28

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 47. Joint resolution providing for a Joint Assembly to vote on the retention of two Superior Judges and one Magistrate.

And has adopted the same in concurrence.

Committee Relieved of Further Consideration; Bill Committed

H. 629.

On motion of Senator Cummings, the Committee on Finance was relieved of further consideration of House bill entitled:

An act relating to changes to property tax abatement and tax sales.

And the bill was committed to the Committee on Government Operations.

Rules Suspended; Bill Not Referred to Committee on Finance**S. 258**

Appearing on the Calendar for notice, and, pending referral of the bill to the Committee on Finance pursuant to Senate Rule 31, Senator Baruth moved that the rules be suspended and the Senate bill entitled:

An act relating to the management of fish and wildlife.

Not be referred to the Committee on Finance pursuant to Senate Rule 31 (and thereby remain on the Calendar for notice),

Which was agreed to.

Bills Referred to Committee on Appropriations

Senate 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 severally referred to the Committee on Appropriations:

S. 204. An act relating to reading assessment and intervention.

S. 258. An act relating to the management of fish and wildlife.

**Message from the Governor
Appointments Referred**

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointments, which were referred to committees as indicated:

Bordeau, Christina Marie of South Burlington - Member of the Community High School of Vermont Board - from March 1, 2024 to February 28, 2027.

To the Committee on Education.

Bowden, William B. of Burlington - Member of the VT Citizens' Advisory Council on Lake Champlain's Future - from January 10, 2024 to February 28, 2025.

To the Committee on Natural Resources and Energy.

Gomez, Christoper of Rutland - Commissioner of the Vermont Housing Finance Agency - from March 1, 2024 to February 29, 2028.

To the Committee on Finance.

Hardy, Christopher of Orleans - Member of the Community High School of Vermont Board - from November 13, 2023 to February 28, 2025.

To the Committee on Education.

Pepper, James of Montpelier - Chair of the Cannabis Control Board - from March 1, 2024 to February 28, 2027.

To the Committee on Government Operations.

Senate Resolutions Adopted

Senate resolutions of the following titles were severally offered, read and adopted, and are as follows:

By Senator Baruth,

S.R. 16. Senate resolution relating to concurrently conducted electronic committee meetings.

Resolved by the Senate:

Notwithstanding the language in Permanent Senate Rule 32A limiting the applicability of Senate Rule 32A to Declarations of Emergency, the provisions of Permanent Senate Rule 32A regarding committee meetings shall be in effect through Tuesday, December 31, 2024.

By Senator Baruth,

S.R. 17. Senate resolution relating to electronic participation in Senate Sessions.

Resolved by the Senate:

That temporary Rule 9B(b), be amended as follows:

Rule 9B. Temporary Rule Regarding Electronic Participation in Senate Sessions

* * *

(b) This temporary rule shall remain in effect through ~~Friday, March 1, 2024~~ Tuesday, December 31, 2024.

Bills Passed

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

S. 109. An act relating to Medicaid coverage for doula services.

S. 191. An act relating to New American Advancement Grant Applicants.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 41.

Joint Senate resolution of the following title was read the third time and adopted on the part of the Senate:

Joint resolution requesting that the U. S. Postal Service reestablish, as rapidly as possible, a full-service U.S. Post Office in downtown Montpelier.

Proposal of Amendment; Third Reading Ordered

H. 518.

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

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

Reported recommending that the Senate propose to the House to amend the bill in Sec. 2, 24 App. V.S.A. chapter 117 (Town of Essex), in section 701 (fiscal year), following the words “first day of July” by striking out the words “and end on the last day of June”

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.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o’clock in the afternoon on Thursday, March 14, 2024.

THURSDAY, MARCH 14, 2024

Pursuant to the Senate Rules, in the absence of the President, the Senate was called to order by the President *pro tempore*.

Devotional Exercises

Devotional exercises were conducted by the Reverend Peter Plagge of Waterbury.

Message from the House No. 29

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on March 4, 2024, he approved and signed a bill originating in the House of the following title:

H. 849. An act relating to technical corrections for the 2024 legislative session.

Bills Referred to Committee on Appropriations

Senate 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 severally referred to the Committee on Appropriations:

S. 159. An act relating to the County Governance Study Committee.

S. 289. An act relating to age-appropriate design code.

Bill Amended; Bill Passed

S. 189.

Senate bill entitled:

An act relating to mental health response service protocols.

Was taken up.

Thereupon, pending third reading of the bill, Senators Lyons, Weeks, Gulick, Hardy and Williams moved to amend the bill by inserting a new Sec. 3 after Sec. 2 to read as follows:

Sec. 3. 33 V.S.A. § 6309 is added to read:

§ 6309. STAFF SAFETY; DISCHARGE FROM SERVICE

If an individual was previously discharged from service by a home health agency to protect the safety of staff in accordance with the rules adopted by the Department of Disabilities, Aging, and Independent Living pursuant to subsection 6303(a) of this chapter, and the behavior or conditions causing the discharge cannot be mitigated or eliminated, a home health agency may:

(1) deny a subsequent admission; or

(2) decline to send a home health agency employee to make a visit if the home health agency has reason to believe that the individual who exhibited the behavior that resulted in the discharge is present in the home.

and by renumbering the remaining section to be numerically correct.

Which was agreed to.

Thereupon, the bill was read the third time and passed.

Bill Passed in Concurrence with Proposal of Amendment

H. 518.

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

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

Bill Amended; Third Reading Ordered**S. 197.**

Senator Williams, for the Committee on Health and Welfare, to which was referred Senate bill entitled:

An act relating to the procurement and distribution of products containing perfluoroalkyl and polyfluoroalkyl substances and monitoring adverse health conditions attributed to perfluoroalkyl and polyfluoroalkyl substances.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. IMPLEMENTATION PLAN; CONSUMER PRODUCTS
CONTAINING PFAS

(a) The Agency of Natural Resources, in consultation with the Agency of Agriculture, Food and Markets; the Department of Health; and the Office of the Attorney General shall propose a program requiring the State to identify and restrict the sale and distribution of consumer products containing perfluoroalkyl and polyfluoroalkyl substances (PFAS) that could impact public health and the environment. The proposed program shall:

(1) identify categories of consumer products that could have an impact on public health and environmental contamination;

(2) propose a process by which manufacturers determine whether a consumer product contains PFAS and how that information is communicated to the State;

(3) address how information about the presence or lack of PFAS in a consumer product is conveyed to the public;

(4) describe which agency or department is responsible for administration of the proposed program, including what additional staff, information technology changes, and other resources, if any, are necessary to implement the program;

(5) determine whether and how other states have structured and implemented similar programs and identify the best practices used in these efforts;

(6) propose definitions of “intentionally added,” “consumer product,” and “perfluoroalkyl and polyfluoroalkyl substances”; and

(7) propose a related public service announcement program and website content to inform the public and health care providers about the potential public health impacts of exposure to PFAS and actions that can be taken to reduce risk.

(b) The Agency of Natural Resources shall obtain input on its recommendation from interested parties, including those that represent environmental, agricultural, and industry interests.

(c) On or before November 1, 2024, the Agency of Natural Resources shall submit an implementation plan developed pursuant to this section and corresponding draft legislation to the House Committees on Environment and Energy and on Human Services and the Senate Committees on Health and Welfare and on Natural Resources and Energy.

(d) For the purposes of this section, “consumer products” includes restricted and nonrestricted use pesticides.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

“An act relating to restricting perfluoroalkyl and of polyfluoroalkyl substances in consumer products.”

And that when so amended the bill ought to pass.

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

Adjournment

On motion of Senator Clarkson, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, MARCH 15, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Rick Swanson of Stowe.

Message from the House No. 30

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 766. An act relating to prior authorization and step therapy requirements, health insurance claims, and provider contracts.

In the passage 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. 48. Joint resolution relating to weekend adjournment on March 15, 2024.

And has adopted the same in concurrence.

The Governor has informed the House that on March 13, 2024, he approved and signed bills originating in the House of the following titles:

H. 516. An act relating to approval of amendments to the charter of the City of Essex Junction.

H. 839. An act related to fiscal year 2024 budget adjustments.

Bill Referred to Committee on Finance

S. 310.

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

An act relating to natural disaster government response, recovery, and resiliency.

Bills Referred to Committee on Appropriations

Senate 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 severally referred to the Committee on Appropriations:

S. 120. An act relating to postsecondary schools and sexual misconduct protections.

S. 184. An act relating to the use of automated traffic law enforcement (ATLE) systems.

Committee Bill Introduced

Senate committee bill of the following title was introduced, read the first time, and, under the rule, placed on the Calendar for notice the next legislative day:

S. 312.

By the Committee on Institutions,

An act relating to the Salisbury fish hatchery.

Bill Referred

House bill of the following title was read the first time and referred:

H. 766.

An act relating to prior authorization and step therapy requirements, health insurance claims, and provider contracts.

To the Committee on Health and Welfare.

Bill Passed**S. 197.**

Senate bill of the following title was read the third time and passed:

An act relating to the procurement and distribution of products containing perfluoroalkyl and polyfluoroalkyl substances and monitoring adverse health conditions attributed to perfluoroalkyl and polyfluoroalkyl substances.

Third Reading Ordered**S. 196.**

Senator Hashim, for the Committee on Judiciary, to which was referred Senate bill entitled:

An act relating to the types of evidence permitted in weight of the evidence hearings.

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.

Third Reading Ordered**S. 206.**

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

An act relating to designating Juneteenth as a legal holiday.

Reported that the bill ought to pass.

Senator Kitchel, for the Committee on Appropriations, 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.

Proposal of Amendment; Third Reading Ordered

H. 659.

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

An act relating to captive insurance.

Reported recommending that the Senate propose to the House to amend the bill by striking out Sec. 19, effective date, in its entirety and by inserting in lieu thereof a new Sec. 19 and Secs. 20–50 to read as follows:

* * * Housekeeping Amendments * * *

Sec. 19. 9 V.S.A. § 5604(d) is amended to read:

(d) In a final order under subsection (b) or (c) of this section, the Commissioner may impose a civil penalty of not more than \$15,000.00 for each violation. The Commissioner may also require a person to make restitution or provide disgorgement of any sums shown to have been obtained in violation of this chapter, plus interest at the legal rate. The limitations on civil penalties contained in this subsection shall not apply to settlement agreements. In accordance with 8 V.S.A. § 24(e), the Commissioner may increase a civil penalty amount by not more than \$5,000.00 per violation for violations involving a person who is a vulnerable adult as defined in 33 V.S.A. § 6902(34).

Sec. 20. 9 V.S.A. § 5616(f) is amended to read:

(f) Vermont Financial Services Education, and Victim Restitution, ~~and Whistleblower Award~~ Special Fund. The Vermont Financial Services Education, and Victim Restitution, ~~and Whistleblower Award~~ Special Fund, pursuant to 32 V.S.A. chapter 7, subchapter 5, is created to provide funds for the purposes specified in this section, in subsection 5601(d) of this title, and in section 5617 of this title. All monies received by the State for use in financial services education initiatives pursuant to subsection 5601(d) of this title, in providing uncompensated victims restitution pursuant to this section, or in providing whistleblower awards pursuant to section 5617 of this title shall be deposited into the Fund. The Commissioner may direct a party to deposit a sum not to exceed 15 percent of the total settlement amount into the Fund in conjunction with settling a ~~State securities law~~ an enforcement matter within the Department's jurisdiction, as described in 8 V.S.A. § 11(a). Interest earned on the Fund shall be retained in the Fund.

Sec. 21. 8 V.S.A. § 3883 is amended to read:

§ 3883. NOTICE REQUIREMENTS

When notice required under section 3880 or 3881 of this title is provided by mail, such notice shall be by certified mail, except that in the case of cancellation for nonpayment of premium, notice shall be by certified mail ~~or~~, certificate of mailing, or any other similar first-class mail tracking method used or approved by the U.S. Postal Service, including Intelligent Mail barcode Tracing (IMb Tracing). A certificate of mailing from the U.S. Postal Service does not include a certificate of bulk mailing.

Sec. 22. 8 V.S.A. § 4226 is amended to read:

§ 4226. NOTICE REQUIREMENTS

When notice required under section 4224 or 4225 of this title is provided by mail, such notice shall be by certified mail, except that in the case of cancellation for nonpayment of premium notice shall be by certified mail ~~or~~, certificate of mailing, or any similar first-class mail tracking method used or approved by the U.S. Postal Service, including Intelligent Mail barcode Tracing (IMb Tracing). A certificate of mailing from the U.S. Postal Service does not include a certificate of bulk mailing.

Sec. 23. 8 V.S.A. § 4714 is amended to read:

§ 4714. NOTICE REQUIREMENTS

When notice required under section 4712 or section 4713 of this title is provided by mail, such notice shall be by certified mail, except that in the case of cancellation for nonpayment of premium, notice shall be by certified mail ~~or~~, certificate of mailing, or any similar first-class mail tracking method used or approved by the U.S. Postal Service, including Intelligent Mail barcode Tracing (IMb Tracing). A certificate of mailing from the U.S. Postal Service does not include a certificate of bulk mailing.

* * * NAIC Holding Company Model Law Updates * * *

Sec. 24. 8 V.S.A. § 3681 is amended to read:

§ 3681. DEFINITIONS

As used in this subchapter:

(1) “Affiliate” of, or person “affiliated” with, a specific person, means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

(2) “Commissioner” means the Commissioner of Financial Regulation or ~~his or her~~ the Commissioner’s deputies, as appropriate.

(3) “Control,” including the terms “controlling,” “controlled by,” and “under common control with,” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, 10 percent or more of the voting securities of any other person. This presumption may be rebutted by a showing made in the manner provided by subsection 3684(1) of this title that control does not exist in fact. The Commissioner may determine, after furnishing all persons in interest notice and opportunity to be heard and making specific findings of fact to support such determination, that control exists in fact, notwithstanding the absence of a presumption to that effect.

(4) “Group capital calculation instructions” means the group capital calculation instructions as adopted by the NAIC and as amended by the NAIC from time to time in accordance with the procedures adopted by the NAIC.

(5) “Groupwide supervisor” ~~or “supervisor”~~ means the regulatory official authorized to engage in conducting and coordinating groupwide supervision activities, as specified by the Commissioner under section 3696 of this subchapter.

(6) “Insurance holding company system” or “system” means two or more affiliated persons, one or more of which is an insurer.

~~(6)~~(7) “Insurer” means a company qualified and licensed to transact the business of insurance in this State and ~~shall include~~ includes a health maintenance organization, a nonprofit hospital service corporation, and a nonprofit medical service corporation, except that it shall not include:

(A) agencies, authorities, or instrumentalities of the United States, its possessions and territories, the Commonwealth of Puerto Rico, the District of Columbia, or a state or political subdivision of a state; or

(B) fraternal benefit societies.

~~(7)~~(8) “Enterprise risk” means any activity, circumstance, event, or series of events involving one or more affiliates of an insurer that, if not remedied promptly, is likely to have a material adverse effect upon the financial condition or liquidity of the insurer or its insurance holding company system as a whole, including anything that would cause the insurer’s risk-based capital to fall into company action level as set forth in section 8303 of

this title or would cause the insurer to be in hazardous financial condition under Department Regulation I-93-2, sections 3–4.

(8)(9) “Internationally active insurance group” or “group” means an insurance holding company system that:

(A) includes an insurer registered under section 3684 of this subchapter; and

(B) meets the following criteria:

(i) premiums written in at least three countries;

(ii) the percentage of gross premiums written outside the United States is at least 10 percent of the system’s total gross written premiums; and

(iii) based on a three-year rolling average, the total assets of the system are at least \$50,000,000,000.00, or the total gross written premiums of the system are at least \$10,000,000,000.00.

(10) “NAIC” means the National Association of Insurance Commissioners.

(11) “NAIC liquidity stress test framework” means a separate NAIC publication, which includes a history of the NAIC’s development of regulatory liquidity stress testing, the scope criteria applicable for a specific data year, and the liquidity stress test instructions and reporting templates for a specific data year, such scope criteria, instructions, and reporting template as adopted by the NAIC.

(9)(12) “Person” means an individual, a corporation, a limited liability company, a partnership, an association, a joint stock company, a trust, an unincorporated organization, any similar entity or any combination of the foregoing acting in concert, but shall not include any securities broker performing no more than the usual and customary broker’s function joint venture partnership exclusively engaged in owning, managing, leasing, or developing real or tangible personal property.

(13) “Scope criteria” mean the designated exposure bases along with minimum magnitudes thereof for the specified data year used to establish a preliminary list of insurers considered scoped into the NAIC liquidity stress test framework for that data year, as detailed in the NAIC liquidity stress test framework.

(10)(14) “Security holder” of a specified person means one who owns any security of such person, including common stock, preferred stock, debt obligations, and any other security convertible into or evidencing the right to acquire any of the foregoing.

~~(11)~~(15) “Subsidiary” of a specified person means an affiliate controlled by such person directly, or indirectly through one or more intermediaries.

~~(12)~~(16) “Voting security” shall ~~include~~ includes any security convertible into or evidencing a right to acquire a voting security.

Sec. 25. 8 V.S.A. § 3684 is amended to read:

§ 3684. REGISTRATION OF INSURERS

(a) Registration. Every insurer ~~which is~~ authorized to do business in this State ~~and which~~ that is a member of an insurance holding company system shall register with the Commissioner, except a foreign insurer subject to ~~disclosure~~ registration requirements and standards adopted by statute or regulation in the jurisdiction of its domicile ~~which~~ that are substantially similar to those contained in this section and section 3685 of this title. ~~Any~~ An insurer ~~which is~~ subject to registration under this section shall register ~~within 60 days after the effective date of this subchapter or~~ 15 business days after it becomes subject to registration, ~~whichever is later,~~ and annually thereafter ~~by~~ on or before March 15 for the previous year ending December 31, unless the Commissioner for good cause shown extends the time for registration, and then within such extended time. The Commissioner may require ~~any~~ an authorized insurer ~~which~~ that is a member of a holding company system ~~which~~ that is not subject to registration under this section to furnish a copy of the registration statement or other information filed by such ~~insurance company~~ insurer with the insurance regulatory authority of its domiciliary jurisdiction.

(b) Information and form required. Every insurer subject to registration under this section shall file a registration statement on a form provided by the Commissioner, which shall contain current information about:

(1) The capital structure, general financial condition, ownership, and management of the insurer and any person controlling the insurer.

(2) The identity and relationship of every member of the insurance holding company system.

(3) The following agreements in force, relationships subsisting, and transactions currently outstanding between such insurer and its affiliates:

(A) loans, other investments, or purchases, sales or exchanges of securities of the affiliates by the insurer or of the insurer by its affiliates;

(B) purchases, sales, or exchanges of assets;

(C) transactions not in the ordinary course of business;

(D) guarantees or undertakings for the benefit of an affiliate ~~which~~ that result in an actual contingent exposure of the insurer’s assets to liability;

other than insurance contracts entered into in the ordinary course of the insurer's business;

(E) all management and service contracts and all cost sharing arrangements;

(F) all reinsurance agreements;

(G) dividends and other distributions to shareholders; and

(H) consolidated tax allocation agreements.

(4) Any pledge of the insurer's stock, including stock of any subsidiary or controlling affiliate, for a loan made to any member of the insurance holding company system.

(5) If requested by the Commissioner, financial statements of or within an insurance holding company system, including all affiliates. Financial statements may include annual audited financial statements filed with the U.S. Securities and Exchange Commission (SEC) pursuant to the Securities Act of 1933, as may be amended, or the Securities Exchange Act of 1934, as may be amended. An insurer required to file financial statements under this subdivision may satisfy the request by providing the Commissioner with the most recently filed parent corporation financial statements that have been filed with the SEC.

(6) Other matters concerning transactions between registered insurers and any affiliates as may be included from time to time in any registration forms adopted or approved by the Commissioner.

(7) Statements that the insurer's board of directors oversees corporate governance and internal controls and that the insurer's officers or senior management have approved, implemented, and continue to maintain and monitor corporate governance and internal control procedures.

(8) Any other information required by the Commissioner by rule.

(c) Summary of changes to registration statement. All registration statements shall contain a summary outlining all items in the current registration statement representing changes from the prior registration statement.

(d) Materiality. No information need be disclosed on the registration statement filed pursuant to subsection (b) of this section if such information is not material for the purposes of this section. Unless the Commissioner by rule or order provides otherwise, sales, purchases, exchanges, loans or extensions of credit, or investments involving one-half of one percent or less of an insurer's admitted assets as of the 31st day of December next preceding shall

not be deemed material for purposes of this section. The definition of materiality provided in this subsection shall not apply for purposes of the group capital calculation or the liquidity stress test framework.

(e) Reporting of dividends to shareholders. Subject to subsection 3685(d) of this chapter, each registered insurer shall report to the Commissioner all dividends and other distributions to shareholders within 15 business days following the declaration thereof.

(f) Information of insurers. Any person within an insurance holding company system subject to registration shall be required to provide complete and accurate information to an insurer where the information is reasonably necessary to enable the insurer to comply with the provisions of this section.

(g) Amendments to registration statements. Each registered insurer shall keep current the information required to be disclosed in its registration statement by reporting all material changes or additions on amendment forms provided by the Commissioner within 15 business days after the end of the month in which it learns of each such change or addition; provided, however, that subject to subsection 3685(c) of this ~~title~~ chapter, each registered insurer shall so report all dividends and other distributions to shareholders within two business days following the declaration thereto.

(h) Termination of registration. The Commissioner shall terminate the registration of any insurer ~~which~~ that demonstrates that it no longer is a member of an insurance holding company system.

(i) Consolidated filing. The Commissioner may require or allow two or more affiliated insurers subject to registration ~~hereunder~~ under this section to file a consolidated registration statement or consolidated reports amending their consolidated registration statement or their individual registration statements.

(j) Alternative registration. The Commissioner may allow an insurer ~~which~~ that is authorized to do business in this State and ~~which~~ that is part of an insurance holding company system to register on behalf of any affiliated insurer ~~which~~ that is required to register under subsection (a) of this section and to file all information and material required to be filed under this section.

(k) Exemptions. The provisions of this section shall not apply to any insurer, information, or transaction if and to the extent that the Commissioner by rule or order shall exempt the same from the provisions of this section.

(l) Disclaimer. Any person may file with the Commissioner a disclaimer of affiliation with any authorized insurer, or such a disclaimer may be filed by such insurer or any member of an insurance holding company system. The disclaimer shall fully disclose all material relationships and bases for

affiliation between such person and such insurer as well as the basis for disclaiming such affiliation. After a disclaimer has been filed, the insurer shall be relieved of any duty to register or report under this section ~~which~~ that may arise out of the insurer's relationship with such person unless and until the Commissioner disallows such a disclaimer. The Commissioner shall disallow such a disclaimer only after furnishing all parties in interest with notice and opportunity to be heard and after making specific findings of fact to support such disallowance.

(m) Enterprise risk ~~filing~~ filings.

(1) Enterprise risk report. The ultimate controlling person of every insurer subject to registration shall also file an annual enterprise risk report. The report shall identify, to the best of the ultimate controlling person's knowledge and belief, the material risks within the insurance holding company system that could pose enterprise risk to the insurer. The report shall be filed with the lead state commissioner of the insurance holding company system as determined by the procedures within the Financial Analysis Handbook adopted by the ~~National Association of Insurance Commissioners~~ NAIC.

(2) Group capital calculation. Except as further provided in this subdivision, the ultimate controlling person of every insurer subject to registration shall concurrently file with the registration an annual group capital calculation as directed by the lead state commissioner. The report shall be completed in accordance with the NAIC group capital calculation instructions, which may permit the lead state commissioner to allow a controlling person that is not the ultimate controlling person to file the group capital calculation. The report shall be filed with the lead state commissioner of the insurance holding company system as determined by the Commissioner in accordance with the procedures within the Financial Analysis Handbook adopted by the NAIC. The following insurance holding company systems are exempt from filing the group capital calculation:

(A) An insurance holding company system that has only one insurer within its holding company structure, only writes business and is only licensed in its domestic state, and assumes no business from any other insurer.

(B) An insurance holding company system that is required to perform a group capital calculation specified by the U.S. Federal Reserve Board. The lead state commissioner shall request the calculation from the Federal Reserve Board under the terms of information sharing agreements in effect. If the Federal Reserve Board cannot share the calculation with the lead state commissioner, the insurance holding company system is not exempt from the group capital calculation filing.

(C) An insurance holding company system whose non-U.S. groupwide supervisor is located within a reciprocal jurisdiction as described in subdivision 3634a(b)(6)(A) of this chapter that recognizes the U.S. state regulatory approach to group supervision and group capital.

(D) An insurance holding company system:

(i) that provides information to the lead state that meets the requirements for accreditation under the NAIC financial standards and accreditation program, either directly or indirectly through the groupwide supervisor, who has determined such information is satisfactory to allow the lead state to comply with the NAIC group supervision approach, as detailed in the NAIC Financial Analysis Handbook; and

(ii) whose non-U.S. groupwide supervisor that is not in a reciprocal jurisdiction recognizes and accepts, as specified in a rule adopted by the Commissioner, the group capital calculation as the worldwide group capital assessment for U.S. insurance groups who operate in that jurisdiction.

(E) Notwithstanding the provisions of subdivisions (C) and (D) of this subdivision (m)(2), a lead state commissioner shall require the group capital calculation for U.S. operations of any non-U.S. based insurance holding company system where, after any necessary consultation with other supervisors or officials, it is deemed appropriate by the lead state commissioner for prudential oversight and solvency monitoring purposes or for ensuring the competitiveness of the insurance marketplace.

(F) Notwithstanding the exemptions from filing the group capital calculation stated in subdivisions (A)–(D) of this subdivision (m)(2), the lead state commissioner has the discretion to exempt the ultimate controlling person from filing the annual group capital calculation or to accept a limited group capital filing or report in accordance with criteria as specified in a rule adopted by the Commissioner.

(G) If the lead state commissioner determines that an insurance holding company system no longer meets one or more of the requirements for an exemption from filing the group capital calculation under this subdivision (2), the insurance holding company system shall file the group capital calculation at the next annual filing date unless given an extension by the lead state commissioner based on reasonable grounds shown.

(3) Liquidity stress test.

(A) The ultimate controlling person of every insurer subject to registration and also scoped into the NAIC liquidity stress test framework shall file the results of a specific year's liquidity stress test. The filing shall be made to the lead state insurance commissioner of the insurance holding

company system as determined by the procedures within the Financial Analysis Handbook adopted by the NAIC.

(B) The NAIC liquidity stress test framework includes scope criteria applicable to a specific data year. These scope criteria are reviewed at least annually by the Financial Stability Task Force or its successor. Any change to the NAIC liquidity stress test framework or to the data year for which the scope criteria are to be measured shall be effective on January 1 of the year following the calendar year when such changes are adopted. Insurers meeting at least one threshold of the scope criteria are considered scoped into the NAIC liquidity stress test framework for the specified data year unless the lead state insurance commissioner, in consultation with the NAIC Financial Stability Task Force or its successor, determines the insurer should not be scoped into the framework for that data year. Similarly, insurers that do not trigger at least one threshold of the scope criteria are considered scoped out of the NAIC liquidity stress test framework for the specified data year, unless the lead state insurance commissioner, in consultation with the NAIC Financial Stability Task Force or its successor, determines the insurer should be scoped into the framework for that data year.

(C) Regulators shall avoid having insurers scoped in and out of the NAIC liquidity stress test framework on a frequent basis. The lead state insurance commissioner, in consultation with the Financial Stability Task Force or its successor, will assess this concern as part of the determination for an insurer.

(D) The performance of, and filing of the results from, a specific year's liquidity stress test shall comply with the NAIC liquidity stress test framework's instructions and reporting templates for that year and any lead state insurance commissioner determinations, in conjunction with the Financial Stability Task Force or its successor, provided within the Framework.

(n) Violations. The failure to file a registration statement or any amendment thereto to a registration statement required by this section within the time specified for such filing shall be a violation of this section.

Sec. 26. 8 V.S.A. § 3685 is amended to read:

§ 3685. STANDARDS AND MANAGEMENT OF AN INSURER WITHIN
AN INSURANCE HOLDING COMPANY SYSTEM

(a) Transactions within an insurance holding company system.

(1) Transactions within an insurance holding company system to which an insurer subject to registration is a party shall be subject to the following standards:

~~(1)~~(A) ~~the~~ The terms shall be fair and reasonable;.

~~(2)~~(B) ~~agreements~~ Agreements for cost-sharing services and management shall include such provisions as required by rule adopted by the Commissioner;.

~~(3)~~(C) ~~charges~~ Charges or fees for services performed shall be reasonable;.

~~(4)~~(D) ~~expenses~~ Expenses incurred and payment received shall be allocated to the insurer in conformity with customary insurance accounting practices consistently applied;.

~~(5)~~(E) ~~the~~ The books, accounts, and records of each party to all such transactions shall be so maintained so as to clearly and accurately disclose the precise nature and details of the transactions, including such accounting information as is necessary to support the reasonableness of the charges or fees to the respective parties; ~~and~~.

~~(6)~~(F) ~~the~~ The insurer's surplus as regards policyholders following any dividends or distributions to shareholder affiliates shall be reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs.

(G) If an insurer subject to this subchapter is deemed by the Commissioner to be in a hazardous financial condition as defined by Regulation I-1993-02, Defining Standards and Commissioner's Authority for Companies Deemed to be in Hazardous Financial Condition, or a condition that would be grounds for supervision, conservation, or a delinquency proceeding, then the Commissioner may require the insurer to secure and maintain either a deposit, held by the Commissioner, or a bond, as determined by the insurer at the insurer's discretion, for the protection of the insurer for the duration of a contract or agreement, or the existence of the condition for which the Commissioner required the deposit or the bond. In determining whether a deposit or a bond is required, the Commissioner shall consider whether concerns exist with respect to the affiliated person's ability to fulfill a contract or agreement if the insurer were to be put into liquidation. Once the insurer is deemed to be in a hazardous financial condition or a condition that would be grounds for supervision, conservation, or a delinquency proceeding, and a deposit or bond is necessary, the Commissioner has discretion to determine the amount of the deposit or bond, not to exceed the value of a contract or agreement in any one year, and whether such deposit or bond should be required for a single contract or agreement, multiple contracts or agreements, or a contract or agreement only with a specific person or persons.

(H) All records and data of the insurer held by an affiliate are and remain the property of the insurer, are subject to control of the insurer, are identifiable, and are segregated or readily capable of segregation, at no additional cost to the insurer, from all other persons' records and data. This includes all records and data that are otherwise the property of the insurer, in whatever form maintained, including claims and claim files, policyholder lists, application files, litigation files, premium records, rate books, underwriting manuals, personnel records, financial records, or similar records within the possession, custody, or control of the affiliate. At the request of the insurer, the affiliate shall provide that the receiver can obtain a complete set of all records of any type that pertain to the insurer's business; obtain access to the operating systems on which the data is maintained; obtain the software that runs those systems either through assumption of licensing agreements or otherwise; and restrict the use of the data by the affiliate if it is not operating the insurer's business. The affiliate shall provide a waiver of any landlord lien or other encumbrance to give the insurer access to all records and data in the event of the affiliate's default under a lease or other agreement.

(I) Premiums or other funds belonging to the insurer that are collected by or held by an affiliate are the exclusive property of the insurer and are subject to the control of the insurer. Any right of offset in the event an insurer is placed into receivership shall be subject to chapter 145 of this title.

(2) The following transactions involving a domestic insurer and any person in its holding company system, including amendments or modifications of affiliate agreements previously filed under this section, that are subject to any materiality standards contained in subdivisions (A)–(G) of this subdivision, shall not be entered into unless the insurer has notified the Commissioner in writing of its intention to enter into such transaction at least 30 days prior to the transaction, or such shorter period as the Commissioner may permit, and the Commissioner has not disapproved it within such period. The notice for amendments or modifications shall include the reasons for the change and the financial impact on the domestic insurer. Within 30 days following a termination of a previously filed agreement, informal notice shall be reported to the Commissioner for determination of the type of filing required, if any. Nothing in this subdivision shall be deemed to authorize or permit any transactions that, in the case of an insurer not a member of the same holding company system, would otherwise be contrary to law.

(A) Sales, purchases, exchanges, loans, or extensions of credit or investments, provided such transactions are equal to or exceed:

(i) with respect to nonlife insurers, the lesser of three percent of the insurer's admitted assets or 25 percent of surplus as regards policyholders as of the 31st day of December next preceding; or

(ii) with respect to life insurers, three percent of the insurer's admitted assets; each as of the 31st day of December next preceding.

(B) Loans or extensions of credit to any person who is not an affiliate, where the insurer makes such loans or extensions of credit with the agreement or understanding that the proceeds of such transactions, in whole or in substantial part, are to be used to make loans or extensions of credit to purchase assets of or to make investments in any affiliate of the insurer making such loans or extensions of credit, provided such transactions are equal to or exceed:

(i) with respect to nonlife insurers, the lesser of three percent of the insurer's admitted assets or 25 percent of surplus as regards policyholders as of the 31st day of December next preceding; or

(ii) with respect to life insurers, three percent of the insurer's admitted assets; each as of the 31st day of December next preceding.

(C) Reinsurance agreements or modifications of reinsurance agreements, including:

(i) all reinsurance pooling agreements; and

(ii) agreements in which the reinsurance premium or a change in the insurer's liabilities or the projected reinsurance premium or a change in the insurer's liabilities in any of the next three years equals or exceeds five percent of the insurer's surplus as regards policyholders, as of the 31st day of December next preceding, including those agreements that may require as consideration the transfer of assets from an insurer to a nonaffiliate, if an agreement or understanding exists between the insurer and nonaffiliate that any portion of such assets will be transferred to one or more affiliates of the insurer.

(D) All management agreements, service contracts, tax allocation agreements, guarantees, and all cost-sharing arrangements.

(E) Guarantees when made by a domestic insurer; provided, however, that a guarantee that is quantifiable as to amount is not subject to the notice requirements of this subdivision (2) unless it exceeds the lesser of one-half of one percent of the insurer's admitted assets or 10 percent of surplus as regards policyholders as of the 31st day of December next preceding. All guarantees that are not quantifiable as to amount are subject to the notice requirements of this subdivision.

(F) Direct or indirect acquisitions or investments in a person that controls the insurer or in an affiliate of the insurer in an amount that together with its present holdings in such investments exceeds two and one-half percent of the insurer's surplus to policyholders. Direct or indirect acquisitions or investments in subsidiaries acquired pursuant to section 3682 of this subchapter or authorized under any other Vermont insurance law or in nonsubsidiary insurance affiliates that are subject to the provisions of this subchapter, are exempt from the notice requirement of this subdivision (2).

(G) Any material transactions, as specified in a rule adopted by the Commissioner, that the Commissioner determines may adversely affect the interests of the insurer's policyholders.

(H) Nothing in this subdivision (2) shall be deemed to authorize or permit any transaction that, in the case of an insurer not a member of the same insurance holding company system, would otherwise be contrary to law.

(3) A domestic insurer shall not enter into transactions that are part of a plan or series of like transactions with persons within the insurance holding company system if the purpose of those separate transactions is to avoid the statutory threshold amount and thus avoid the review that would otherwise occur. If the Commissioner determines that such separate transactions were entered into over any 12-month period for such purpose, the Commissioner may exercise the Commissioner's authority under this title.

(4) The Commissioner, in reviewing transactions pursuant to subsection (b) of this section, shall consider whether the transactions comply with the standards established in this subsection (a) and whether they may adversely affect the interests of policyholders.

(5) The Commissioner shall be notified within 30 days following any investment of the domestic insurer in any one corporation if the total investment in such corporation by the insurance holding company system exceeds 10 percent of such corporation's voting securities.

(6)(A) Any affiliate that is party to an agreement or contract with a domestic insurer that is subject to subdivision (2)(D) of this subsection (a) shall be subject to the jurisdiction of any supervision, seizure, conservatorship, or receivership proceedings against the insurer and to the authority of any supervisor, conservator, rehabilitator, or liquidator for the insurer appointed pursuant to chapter 145 of this title for the purpose of interpreting, enforcing, and overseeing the affiliate's obligations under the agreement or contract to perform services for the insurer that:

(i) are an integral part of the insurer's operations, including management, administrative, accounting, data processing, marketing, underwriting, claims handling, investment, or any other similar functions; or

(ii) are essential to the insurer's ability to fulfill its obligations under insurance policies.

(B) The Commissioner may require that an agreement or contract for the provision of services described in subdivisions (2)(A)(i) and (ii) of this subsection specify that the affiliate consents to the jurisdiction as set forth in this subdivision (a)(6).

(b) Adequacy of surplus. For purposes of this subchapter, in determining whether an insurer's surplus as regards policyholders is reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs, the following factors, among others, shall be considered:

(1) The size of the insurer as measured by its assets, capital and surplus, reserves, premium writings, insurance in force, and other appropriate criteria.

(2) The extent to which the insurer's business is diversified among the several lines of insurance.

(3) The number and size of risks insured in each line of business.

(4) The extent of the geographical dispersion of the insurer's insured risks.

(5) The nature and extent of the insurer's reinsurance program.

(6) The quality, diversification, and liquidity of the insurer's investment portfolio.

(7) The recent past and projected future trend in the size of the insurer's surplus as regards policyholders.

(8) The surplus as regards policyholders maintained by other comparable insurers.

(9) The adequacy of the insurer's reserves.

(10) The quality and liquidity of investments in ~~subsidiaries made pursuant to section 3682 of this title~~ affiliates. The Commissioner may treat any such investment as a disallowed asset for purposes of determining the adequacy of surplus as regards policyholders whenever in ~~his or her~~ the Commissioner's judgment such investment so warrants.

(c) Dividends and other distributions. ~~No insurer subject to registration under section 3684 of this title shall~~ (1) A domestic insurer shall not pay any

extraordinary dividend or make any other extraordinary distribution to its shareholders until:

~~(1)(A)~~ 30 days after the Commissioner has received notice of the declaration ~~thereof of the dividend or distribution~~ and has not within such period disapproved such payment; or

~~(2)(B)~~ the Commissioner shall have approved such payment within such 30-day period.

~~(d) Limitation on dividends.~~

~~(1)(2)~~ For purposes of this ~~section~~ subsection, an extraordinary dividend or distribution includes any dividend or distribution of cash or other property whose fair market value together with that of other dividends or distributions made within the preceding 12 months exceeds the lesser of:

(A) 10 percent of such insurer's surplus as regards policyholders as of the 31st day of December next preceding; or

(B) the net gains from operations of such insurer, if such insurer is a life insurer, or the net income, if such insurer is not a life insurer, not including realized capital gains, for the 12-month period ending the 31st day of December next preceding, but shall not include pro rata distributions of any class of the insurer's own securities.

~~(2)(3)~~ In determining whether a dividend or distribution is extraordinary, an insurer other than a life insurer may carry forward net income from the previous two calendar years that has not already been paid out as dividends. This carry-forward shall be computed by taking the net income from the second and third preceding calendar years, not including realized capital gains, less dividends paid in the second and immediate preceding calendar years. In determining whether a dividend or distribution is extraordinary, a life insurer may exclude dividends or distributions paid only from unassigned surplus that do not exceed the greater of subdivision ~~(1)(A)~~ ~~(2)(A)~~ or (B) of this subsection, provided that a life insurer relying on this provision shall notify the Commissioner of such dividend or distribution within five business days following declaration and at least 10 days, commencing from the date of receipt by the Commissioner, prior to the payment thereof.

~~(e) Conditional dividends.~~ (4) Notwithstanding any other provision of law to the contrary, an insurer may declare an extraordinary dividend or distribution that is conditional upon the Commissioner's approval ~~thereof~~, and such a declaration shall not confer ~~no~~ any rights upon shareholders until the Commissioner has:

~~(1)(A)~~ approved the payment of such dividend or distribution; or

~~(2)(B)~~ not disapproved such payment within the 30-day period referred to in ~~subsection (e) subdivision (1) of this section~~ subsection (c).

(d) Management of domestic insurers subject to registration.

(1) Notwithstanding the control of a domestic insurer by any person, the officers and directors of the insurer shall not thereby be relieved of any obligation or liability to which they would otherwise be subject by law, and the insurer shall be managed so as to ensure its separate operating identity consistent with this section.

(2) Nothing in this subsection shall preclude a domestic insurer from having or sharing a common management or cooperative or joint use of personnel, property, or services with one or more other persons under arrangements meeting the standards of subdivision (a)(1) of this section.

(3) Not less than one-third of the directors of a domestic insurer and not less than one-third of the members of each committee of the board of directors of any domestic insurer shall be persons who are not officers or employees of the insurer or of any entity controlling, controlled by, or under common control with the insurer and who are not beneficial owners of a controlling interest in the voting stock of the insurer or entity. At least one such person shall be included in any quorum for the transaction of business at any meeting of the board of directors or any committee thereof.

(4) The board of directors of a domestic insurer shall establish one or more committees composed solely of directors who are not officers or employees of the insurer or of any entity controlling, controlled by, or under common control with the insurer and who are not beneficial owners of a controlling interest in the voting stock of the insurer or any such entity. The committee or committees shall have responsibility for nominating candidates for director for election by shareholders or policyholders, evaluating the performance of officers deemed to be principal officers of the insurer, and recommending to the board of directors the selection and compensation of the principal officers. For purposes of this subsection, principal officers shall mean the chief executive officer, the president, and any chief operating officer.

(5) The provisions of subdivisions (3) and (4) of this subsection shall not apply to a domestic insurer if the person controlling the insurer, such as an insurer, a mutual insurance holding company, or a publicly held corporation, has a board of directors and committees thereof that meet the requirements of subdivisions (3) and (4) of this subsection with respect to such controlling entity.

(6) An insurer may make application to the Commissioner for a waiver from the requirements of this subsection if the insurer's annual direct written and assumed premium, excluding premiums reinsured with the Federal Crop Insurance Corporation and Federal Flood Program, is less than \$300,000,000.00. An insurer may also make application to the Commissioner for a waiver from the requirements of this subsection based upon unique circumstances. The Commissioner may consider various factors, including the type of business entity, volume of business written, availability of qualified board members, or the ownership or organizational structure of the entity.

~~(f) The following transactions involving a domestic insurer and any person in its holding company system, including amendments or modifications of affiliate agreements previously filed under this section, which are subject to any materiality standards contained in subdivisions (1) through (7) of this subsection, may not be entered into unless the insurer has notified the Commissioner in writing of its intention to enter into such transaction at least 30 days prior thereto, or such shorter period as the Commissioner may permit, and the Commissioner has not disapproved it within such period. The notice for amendments or modifications shall include the reasons for the change and the financial impact on the domestic insurer. Informal notice shall be reported within 30 days after a termination of a previously filed agreement to the Commissioner for determination of the type of filing required, if any. Nothing herein contained shall be deemed to authorize or permit any transactions that in the case of an insurer not a member of the same holding company system, would be otherwise contrary to law.~~

~~(1) Sales, purchases, exchanges, loans, or extensions of credit or investments, provided such transactions are equal to or exceed:~~

~~(A) with respect to nonlife insurers, the lesser of three percent of the insurer's admitted assets or 25 percent of surplus as regards policyholders as of the 31st day of December next preceding;~~

~~(B) with respect to life insurers, three percent of the insurer's admitted assets; each as of the 31st day of December next preceding.~~

~~(2) Loans or extensions of credit to any person who is not an affiliate, where the insurer makes such loans or extensions of credit with the agreement or understanding that the proceeds of such transactions, in whole or in substantial part, are to be used to make loans or extensions of credit to, to purchase assets of, or to make investments in any affiliate of the insurer making such loans or extensions of credit, provided such transactions are equal to or exceed:~~

~~(A) with respect to nonlife insurers, the lesser of three percent of the insurer's admitted assets or 25 percent of surplus as regards policyholders as of the 31st day of December next preceding;~~

~~(B) with respect to life insurers, three percent of the insurer's admitted assets; each as of the 31st day of December next preceding.~~

~~(3) Reinsurance agreements or modifications thereto, including:~~

~~(A) all reinsurance pooling agreements;~~

~~(B) agreements in which the reinsurance premium or a change in the insurer's liabilities or the projected reinsurance premium or a change in the insurer's liabilities in any of the next three years equals or exceeds five percent of the insurer's surplus as regards policyholders, as of the 31st day of December next preceding, including those agreements that may require as consideration the transfer of assets from an insurer to a nonaffiliate, if an agreement or understanding exists between the insurer and nonaffiliate that any portion of such assets will be transferred to one or more affiliates of the insurer.~~

~~(4) Any material transactions, specified by regulation, that the Commissioner determines may adversely affect the interests of the insurer's policyholders.~~

~~(5) All management agreements, service contracts, and all cost-sharing arrangements.~~

~~(6) Guarantees when made by a domestic insurer; provided, however, that a guarantee that is quantifiable as to amount is not subject to the notice requirements of this subsection unless it exceeds the lesser of one-half of one percent of the insurer's admitted assets or 10 percent of surplus as regards policyholders as of the 31st day of December next preceding. All guarantees that are not quantifiable as to amount are subject to the notice requirements of this subdivision.~~

~~(7) Direct or indirect acquisitions or investments in a person that controls the insurer or an affiliate of the insurer in an amount that together with its present holdings in such investments, exceeds two and one-half percent of the insurer's surplus to policyholders. Direct or indirect acquisitions or investments in subsidiaries acquired pursuant to section 3682 of this chapter or authorized under any other section of this chapter or in nonsubsidiary insurance affiliates that are subject to the provisions of this chapter are exempt from this requirement.~~

~~(g) A domestic insurer may not enter into transactions that are part of a plan or series of like transactions with persons within the holding company~~

system if the purpose of those separate transactions is to avoid the statutory threshold amount and thus avoid the review that would occur otherwise. If the Commissioner determines that such separate transactions were entered into over any 12-month period for such purpose, he or she may exercise his or her authority under this title.

(h) The Commissioner, in reviewing transactions pursuant to subsection (f) of this section, shall consider whether the transactions comply with the standards set forth in subsection (a) of this section and whether they may adversely affect the interests of policyholders.

(i) The Commissioner shall be notified within 30 days of any investment of the domestic insurer in any one corporation if the total investment in such corporation by the insurance holding company system exceeds 10 percent of such corporation's voting securities.

(j) Management of domestic insurers subject to registration.

(1) Notwithstanding the control of a domestic insurer by any person, the officers and directors of the insurer shall not thereby be relieved of any obligation or liability to which they would otherwise be subject by law, and the insurer shall be managed so as to ensure its separate operating identity consistent with this section.

(2) Nothing in this section shall preclude a domestic insurer from having or sharing a common management or cooperative or joint use of personnel, property, or services with one or more other persons under arrangements meeting the standards of subsection (a) of this section.

(3) Not less than one-third of the directors of a domestic insurer and not less than one-third of the members of each committee of the board of directors of any domestic insurer shall be persons who are not officers or employees of the insurer or of any entity controlling, controlled by, or under common control with the insurer and who are not beneficial owners of a controlling interest in the voting stock of the insurer or entity. At least one such person must be included in any quorum for the transaction of business at any meeting of the board of directors or any committee thereof.

(4) The board of directors of a domestic insurer shall establish one or more committees composed of a majority of directors who are not officers or employees of the insurer or of any entity controlling, controlled by, or under common control with the insurer and who are not beneficial owners of a controlling interest in the voting stock of the insurer or any such entity. The committee or committees shall have responsibility for nominating candidates for director for election by shareholders or policyholders, evaluating the performance of officers deemed to be principal officers of the insurer, and

~~recommending to the board of directors the selection and compensation of the principal officers. For purposes of this subsection, principal officers shall mean the chief executive officer, the president, and any chief operating officer.~~

~~(5) The provisions of subdivisions (3) and (4) of this subsection shall not apply to a domestic insurer if the person controlling the insurer, such as an insurer, a mutual insurance holding company, or a publicly held corporation, has a board of directors and committees thereof that meet the requirements of subdivisions (3) and (4) of this subsection with respect to such controlling entity.~~

~~(6) An insurer may make application to the Commissioner for a waiver from the requirements of this subsection if the insurer's annual direct written and assumed premium, excluding premiums reinsured with the Federal Crop Insurance Corporation and Federal Flood Program, is less than \$300,000,000.00. An insurer may also make application to the Commissioner for a waiver from the requirements of this subsection based upon unique circumstances. The Commissioner may consider various factors, including the type of business entity, volume of business written, availability of qualified board members, or the ownership or organizational structure of the entity.~~

Sec. 27. 8 V.S.A. § 3687 is amended to read:

§ 3687. CONFIDENTIAL TREATMENT

(a) Documents, materials, or other information in the possession or control of the Department that are obtained by or disclosed to the Commissioner or any other person in the course of an examination or investigation made pursuant to section 3686 of this title and all information reported pursuant to subdivisions 3683(b)(12) and (13), section 3684, and section 3685 of this title chapter are recognized by this State as being proprietary and to contain trade secrets and shall be given confidential treatment, shall not be subject to subpoena, shall not be subject to public inspection and copying under the Public Records Act, shall not be subject to discovery or admissible in evidence in any private civil action, and shall not be made public by the Commissioner or any other person. However, the Commissioner is authorized to use the documents, materials, or other information in the furtherance of any regulatory or legal action brought as a part of the Commissioner's official duties. The Commissioner shall not otherwise make the documents, materials, or other information public without the prior written consent of the insurer to which it pertains unless the Commissioner, after giving the insurer and its affiliates who would be affected thereby notice and opportunity to be heard, determines that the interests of policyholders, shareholders, or the public will be served by the publication thereof, in which event ~~he or she~~ the Commissioner may publish

all or any part thereof in such manner as ~~he or she~~ the Commissioner may deem appropriate.

(1) For purposes of the information reported and provided to the Department pursuant to subdivision 3684(m)(2) of this chapter, the Commissioner shall maintain the confidentiality of the group capital calculation and group capital ratio produced within the calculation and any group capital information received from an insurance holding company supervised by the Federal Reserve Board or any U.S. groupwide supervisor.

(2) For purposes of the information reported and provided to the Department pursuant to subdivision 3684(m)(3) of this chapter, the Commissioner shall maintain the confidentiality of the liquidity stress test results and supporting disclosures and any liquidity stress test information received from an insurance holding company supervised by the Federal Reserve Board and non-U.S. groupwide supervisors.

(b) Neither the Commissioner nor any person who received documents, materials, or other information while acting under the authority of the Commissioner or with whom such documents, materials, or other information are shared pursuant to this chapter shall be permitted or required to testify in any private civil action concerning any confidential documents, materials, or information subject to subsection (a) of this section.

(c) In order to assist in the performance of the Commissioner's duties, the Commissioner:

(1) ~~may~~ May share documents, materials, or other information, including the confidential and privileged documents, materials, or information subject to subsection (a) of this section, including proprietary and trade secret documents and materials, with other state, federal, and international regulatory agencies, with the NAIC ~~and its affiliates and subsidiaries~~, with third-party consultants designated by the Commissioner, and with state, federal, and international law enforcement authorities, including members of any supervisory college described in section 3695 of this title, provided that the recipient agrees in writing to maintain the confidentiality and privileged status of the document, material, or other information and has verified in writing the legal authority to maintain confidentiality;

(2) ~~notwithstanding~~ Notwithstanding subdivision (1) of this subsection, may only share confidential and privileged documents, material, or information reported pursuant to ~~subsection 3684(m)~~ subdivision 3684(m)(1) of this chapter with commissioners of states having statutes or regulations substantially similar to subsection (a) of this section and who have agreed in writing not to disclose such information;

(3) ~~may~~ May receive documents, materials, or information, including otherwise confidential and privileged documents, materials, or information, including proprietary and trade-secret information, from the NAIC and its affiliates and subsidiaries and from regulatory and law enforcement officials of other foreign or domestic jurisdictions and shall maintain as confidential or privileged any document, material, or information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the document, material, or information; ~~and~~.

(4) ~~shall~~ Shall enter into written agreements with the NAIC and any third-party consultant designated by the Commissioner governing sharing and use of information provided under this chapter consistent with this subsection that shall:

(A) ~~specify~~ Specify procedures and protocols regarding the confidentiality and security of information shared with the NAIC ~~and its affiliates and subsidiaries~~ or a third-party consultant designated by the Commissioner pursuant to this ~~section~~ subchapter, including procedures and protocols for sharing by the NAIC with other state, federal, or international regulators; The agreement shall provide that the recipient agrees in writing to maintain the confidentiality and privileged status of the documents, materials, or other information and has verified in writing the legal authority to maintain such confidentiality.

(B) ~~specify~~ Specify that ownership of information shared with the NAIC ~~and its affiliates and subsidiaries~~ or a third-party consultant pursuant to this section remains with the Commissioner and the NAIC's use of the information is subject to the direction of the Commissioner; ~~and~~.

(C) ~~require~~ Excluding documents, materials, or information reported pursuant to subdivision 3684(m)(3) of this title, prohibit the NAIC or third-party consultant designated by the Commissioner from storing the information shared pursuant to this subchapter in a permanent database after the underlying analysis is completed.

(D) Require prompt notice be given to an insurer whose confidential information in the possession of the NAIC or third-party consultant designated by the Commissioner under this ~~section~~ subchapter is subject to a request or subpoena to the NAIC or a third-party consultant designated by the Commissioner for disclosure or production; ~~and~~.

~~(D)~~(E) ~~require~~ Require the NAIC ~~and its affiliates and subsidiaries~~ or a third-party consultant designated by the Commissioner to consent to intervention by an insurer in any judicial or administrative action in which the NAIC ~~and its affiliates and subsidiaries~~ or third-party consultant designated by

the Commissioner may be required to disclose confidential information about the insurer shared with the NAIC and its affiliates and subsidiaries or third-party consultant designated by the Commissioner pursuant to this section.

(F) For documents, materials, or information report pursuant to subdivision 3684(b)(3) of this chapter, in the case of an agreement involving a third-party consultant, provide for notification of the identity of the consultant to the applicable insurers.

(d) The sharing of information by the Commissioner pursuant to this section shall not constitute a delegation of regulatory authority or rulemaking, and the Commissioner is solely responsible for the administration, execution, and enforcement of the provisions of this section.

(e) No waiver of any applicable privilege or claim of confidentiality in the documents, materials, or information shall occur as a result of disclosure to the Commissioner under this section or as a result of sharing as authorized in subsection (c) of this section.

(f) Documents, materials, or other information in the possession or control of the NAIC or third-party consultant designated by the Commissioner pursuant to this section ~~subchapter~~ shall be confidential by law and privileged, shall not be subject to public inspection and copying under the Public Records Act, shall not be subject to subpoena, shall not be subject to discovery or admissible in evidence in any private civil action, and shall not be made public by the Commissioner or any other person.

(g) The group capital calculation and resulting group capital ratio required under subdivision 3684(m)(2) of this subchapter and the liquidity stress test along with its results and supporting disclosures required under subdivision 3684(m)(3) of this subchapter are regulatory tools for assessing group risks and capital adequacy and group liquidity risks, respectively, and are not intended as a means to rank insurers or insurance holding company systems, generally. Therefore, except as otherwise may be required under the provisions of this chapter, the making, publishing, disseminating, circulating or placing before the public, or causing directly or indirectly to be made, published, disseminated, circulated, or placed before the public in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio or television station or any electronic means of communication available to the public, or in any other way as an advertisement, announcement, or statement containing a representation or statement with regard to the group capital calculation, group capital ratio, the liquidity stress test results, or supporting disclosures for the liquidity stress test of any insurer or any insurer group, or of any component derived in the calculation by any insurer, broker, or other person engaged in any manner in

the insurance business would be misleading and is therefore prohibited. However, if any materially false statement with respect to the group capital calculation, resulting group capital ratio, an inappropriate comparison of any amount to an insurer's or insurance group's group capital calculation or resulting group capital ratio, liquidity stress test result, supporting disclosures for the liquidity stress test, or an inappropriate comparison of any amount to an insurer's or insurance group's liquidity stress test result or supporting disclosures is published in any written publication and the insurer is able to demonstrate to the Commissioner with substantial proof the falsity of such statement or the inappropriateness, as the case may be, then the insurer may publish announcements in a written publication if the sole purpose of the announcement is to rebut the materially false statement.

Sec. 28. 8 V.S.A. chapter 149 is added to read:

CHAPTER 149. PET INSURANCE

§ 7151. SHORT TITLE

This chapter shall be known and may be cited as the "Pet Insurance Act."

§ 7152. SCOPE AND PURPOSE

(a) The purpose of this chapter is to promote the public welfare by creating a comprehensive legal framework within which pet insurance may be sold in Vermont.

(b) The requirements of this chapter shall apply to pet insurance policies that are issued to any resident of this State and are sold, solicited, negotiated, or offered in this State and policies or certificates that are delivered or issued for delivery in this State.

(c) All other applicable provisions of Vermont insurance law shall continue to apply to pet insurance except that the specific provisions of this subchapter shall supersede any general provisions of law that would otherwise be applicable to pet insurance.

§ 7153. DEFINITIONS

(a) If a pet insurer uses any term defined in this section in a policy of pet insurance, the pet insurer shall use the definition of the term provided in this section and include the definition of the term in the policy. The pet insurer shall also make the definition available through a clear and conspicuous link on the main page of the website of either the pet insurer or the pet insurer's program administrator.

(b) Nothing in this chapter shall in any way prohibit or limit the types of exclusions pet insurers may use in their policies or require pet insurers to have any of the limitations or exclusions defined in this section.

(c) As used in this chapter:

(1) “Chronic condition” means a condition that can be treated or managed, but not cured.

(2) “Congenital anomaly or disorder” means a condition that is present from birth, whether inherited or caused by the environment, which may cause or contribute to illness or disease.

(3) “Hereditary disorder” means an abnormality that is genetically transmitted from parent to offspring and may cause illness or disease.

(4) “Orthopedic” refers to conditions affecting the bones, skeletal muscle, cartilage, tendons, ligaments, and joints. It includes elbow dysplasia, hip dysplasia, intervertebral disc degeneration, patellar luxation, and ruptured cranial cruciate ligaments. It does not include cancers or metabolic, hemopoietic, or autoimmune diseases.

(5) “Pet insurance” means a property insurance policy that provides coverage for accidents and illnesses of pets.

(6)(A) “Preexisting condition” means any condition for which any of the following are true within 180 days prior to the effective date of a pet insurance policy or during any waiting period:

(i) a veterinarian provided medical advice;

(ii) the pet received previous treatment; or

(iii) based on information from verifiable sources, the pet had signs or symptoms directly related to the condition for which a claim is being made.

(B) A condition for which coverage is afforded on a policy cannot be considered a preexisting condition on any renewal of the policy.

(7) “Renewal” means to issue and deliver at the end of an insurance policy period a policy that supersedes a policy previously issued and delivered by the same pet insurer or affiliated pet insurer and that provides types and limits of coverage substantially similar to those contained in the policy being superseded.

(8) “Veterinarian” means an individual who holds a valid license to practice veterinary medicine from the appropriate licensing entity in the jurisdiction in which the veterinarian practices.

(9) “Veterinary expenses” means the costs associated with medical advice, diagnosis, care, or treatment provided by a veterinarian, including the cost of drugs prescribed by a veterinarian.

(10) “Waiting period” means the period of time specified in a pet insurance policy that is required to transpire before some or all of the coverage in the policy can begin. A waiting period may not be applied to a renewal of existing coverage.

(11) “Wellness program” means a subscription or reimbursement-based program that is separate from an insurance policy that provides goods and services to promote the general health, safety, or well-being of the pet. If any wellness program meets the definition of insurance in section 3301a of this title and does not qualify for any exclusion, it is transacting in the business of insurance and is subject to the applicable insurance laws and rules. This definition is not intended to classify a contract directly between a service provider and a pet owner that only involves the two parties as being “the business of insurance,” unless other indications of insurance also exist.

§ 7154. DISCLOSURES

(a) A pet insurer transacting pet insurance shall disclose the following to consumers:

(1) If the policy excludes coverage due to any of the following:

- (A) a preexisting condition;
- (B) a hereditary disorder;
- (C) a congenital anomaly or disorder; or
- (D) a chronic condition.

(2) If the policy includes any other exclusions, the following statement: “Other exclusions may apply. Please refer to the exclusions section of the policy for more information.”

(3) Any policy provision that limits coverage through a waiting or affiliation period, a deductible, coinsurance, or an annual or lifetime policy limit.

(4) Whether the pet insurer reduces coverage or increases premiums based on the insured’s claim history, the age of the covered pet, or a change in the geographic location of the insured.

(5) If the underwriting company differs from the brand name used to market and sell the product.

(b)(1) Unless the insured has filed a claim under the pet insurance policy, pet insurance applicants shall have the right to examine and return the policy, certificate, or rider to the company or an agent or insurance producer of the company within 30 days following its receipt and to have the premium refunded if, after examination of the policy, certificate, or rider, the applicant is not satisfied for any reason.

(2) Pet insurance policies, certificates, and riders shall have a notice prominently printed on the first page or attached thereto including specific instructions to accomplish a return. The following free-look statement, or substantially similar language, shall be included:

You have 30 days following the day you receive this policy, certificate, or rider to review it and return it to the company if you decide not to keep it. You do not have to tell the company why you are returning it. If you decide not to keep it, simply return it to the company at its administrative office or you may return it to the agent or insurance producer that you bought it from, provided you have not filed a claim. You must return it within 30 days following the day you first received it. The company will refund the full amount of any premium paid within 30 days following the day it receives the returned policy, certificate, or rider. The premium refund will be sent directly to the person who paid it. The policy, certificate, or rider will be void as if it had never been issued.

(3) A pet insurer shall clearly disclose a summary description of the basis or formula on which the pet insurer determines claim payments under a pet insurance policy within the policy prior to policy issuance and through a clear and conspicuous link on the main page of the website of either the pet insurer or the pet insurer's program administrator.

(4) A pet insurer that uses a benefit schedule to determine claim payment under a pet insurance policy shall do the following:

(A) clearly disclose the applicable benefit schedule in the policy; and

(B) disclose all benefit schedules used by the pet insurer under its pet insurance policies through a clear and conspicuous link on the main page of the website of either the pet insurer or the pet insurer's program administrator.

(5) A pet insurer that determines claim payments under a pet insurance policy based on usual and customary fees, or any other reimbursement limitation based on prevailing veterinary service provider charges, shall do the following:

(A) include a usual and customary fee limitation provision in the policy that clearly describes the pet insurer's basis for determining usual and

customary fees and how that basis is applied in calculating claim payments; and

(B) disclose the pet insurer's basis for determining usual and customary fees through a clear and conspicuous link on the main page of the website of either the pet insurer or the pet insurer's program administrator.

(6) If any medical examination by a licensed veterinarian is required to effectuate coverage, the pet insurer shall clearly and conspicuously disclose the required aspects of the examination prior to purchase and disclose that examination documentation may result in a preexisting condition exclusion.

(7) Waiting periods and the requirements applicable to them must be clearly and prominently disclosed to consumers prior to the policy purchase.

(8) The pet insurer shall include a summary of all policy provisions required in subdivisions (1)–(7) of this subsection in a separate document entitled “Insurer Disclosure of Important Policy Provisions.”

(9) The pet insurer shall post the “Insurer Disclosure of Important Policy Provisions” document required in subdivision (8) of this subsection through a clear and conspicuous link on the main page of the website of either the pet insurer or the pet insurer's program administrator.

(10) In connection with the issuance of a new pet insurance policy, the pet insurer shall provide the consumer with a copy of the “Insurer Disclosure of Important Policy Provisions” document required pursuant to subdivision (8) of this subsection in at least 12-point type when it delivers the policy.

(11) At the time a pet insurance policy is issued or delivered to a policyholder, the pet insurer shall include a written disclosure with the following information, printed in 12-point boldface type:

(A) the Department of Financial Regulation's mailing address, toll-free telephone number, and website address;

(B) the address and customer service telephone number of the pet insurer or the agent or broker of record; and

(C) if the policy was issued or delivered by an agent or broker, a statement advising the policyholder to contact the broker or agent for assistance.

(12) The disclosures required in this section shall be in addition to any other disclosure requirements required by law or rule.

§ 7155. POLICY CONDITIONS

(a) A pet insurer may issue policies that exclude coverage on the basis of one or more preexisting conditions with appropriate disclosure to the consumer. The pet insurer has the burden of proving that the preexisting condition exclusion applies to the condition for which a claim is being made.

(b) A pet insurer may issue policies that impose waiting periods that do not exceed 30 days from the effective date of the policy for illnesses or orthopedic conditions not resulting from an accident. Waiting periods for accidents are prohibited. An insurer must issue coverage to be effective not later than 12:01 a.m. on the second calendar day after premium is paid.

(1) A pet insurer using a waiting period permitted under this subsection shall include a provision in its contract that allows the waiting period to be waived upon completion of a medical examination. Pet insurers may require the examination to be conducted by a licensed veterinarian after the purchase of the policy.

(A) A medical examination pursuant to this subdivision (1) shall be paid for by the policyholder, unless the policy specifies that the pet insurer will pay for the examination.

(B) A pet insurer can specify elements to be included as part of the examination and require documentation thereof, provided the specifications do not unreasonably restrict a consumer's ability to waive the waiting period under this subsection.

(2) Waiting periods, and the requirements applicable to them, shall be clearly and prominently disclosed to consumers prior to the policy purchase.

(3) If a policy does not include a waiting period, an insurer may set a policy effective date that is up to 15 calendar days after purchase, provided such policy effective date is clearly disclosed and no premium is earned before the policy becomes effective.

(c) A pet insurer must not require a veterinary examination of the covered pet for the insured to have their policy renewed.

(d) If a pet insurer includes any prescriptive, wellness, or noninsurance benefits in the policy form, then it is made part of the policy contract and shall follow all applicable insurance laws and rules.

(e) An insured's eligibility to purchase a pet insurance policy shall not be based on participation, or lack of participation, in a separate wellness program.

(f) A condition for which coverage is afforded on a policy shall not be considered a preexisting condition on any renewal of the policy.

(g) A policyholder shall be allowed to modify coverage amounts without having the policy cancelled and renewed.

(h) Coverage for new or existing claims shall not be suspended due to nonpayment of premium. The policy is considered effective until renewal, cancellation, or nonrenewal.

(i) Unpaid premiums shall not be deducted from claim payments for a covered loss.

§ 7156. SALES PRACTICES FOR WELLNESS PROGRAMS

(a) A pet insurer or producer shall not market a wellness program as pet insurance.

(b) If a wellness program is sold by a pet insurer or producer it shall be subject to the following requirements:

(1) The purchase of the wellness program shall not be a requirement to the purchase of pet insurance.

(2) The costs of the wellness program shall be separate and identifiable from any pet insurance policy sold by a pet insurer or producer.

(3) The terms and conditions for the wellness program shall be separate from any pet insurance policy sold by a pet insurer or producer.

(4) The products or coverages available through the wellness program shall not duplicate products or coverages available through the pet insurance policy.

(5) The advertising of the wellness program shall not be misleading and shall be in accordance with the requirements of this subsection.

(6) A pet insurer or producer shall clearly disclose the following to consumers, printed in 12-point boldface type:

(A) that wellness programs are not insurance;

(B) the address and customer service telephone number of the pet insurer or producer or broker of record; and

(C) the Department of Financial Regulation's mailing address, toll-free telephone number, and website address.

(7) Coverages included in the pet insurance policy contract described as "wellness" benefits are insurance.

§ 7157. INSURANCE PRODUCER TRAINING

(a) An insurance producer shall not sell, solicit, or negotiate a pet insurance product until after the producer is appropriately licensed and has completed the required training identified in subsection (c) of this section.

(b) An insurer shall ensure that its producers are trained under subsection (c) of this section and that its producers have been appropriately trained on the coverages and conditions of its pet insurance products.

(c) The training required under this section shall include information on the following topics:

(A) preexisting conditions and waiting periods;

(B) the differences between pet insurance and noninsurance wellness programs;

(C) hereditary disorders, congenital anomalies or disorders, and chronic conditions and how pet insurance policies interact with those conditions or disorders; and

(D) rating, underwriting, renewal, and other related administrative topics.

(d) The satisfaction of the training requirements of another state that are substantially similar to the training requirements in subsection (c) of this section shall be deemed to satisfy the training requirements in Vermont.

§ 7158. RULES

The Commissioner may adopt rules to administer this chapter and to effectuate its policies and purposes.

§ 7159. VIOLATIONS

A violation of this chapter shall be subject to the penalties and enforcement provisions specified in section 3661 of this title.

* * * Conference of State Bank Supervisors; Money Transmission
Modernization Model Act * * *

Sec. 29. 8 V.S.A. § 2101 is amended to read:

§ 2101. DEFINITIONS

Except as otherwise provided in this part:

(1) “Acting in concert” means persons knowingly acting together with a common goal of jointly acquiring control of a license whether or not pursuant to an express agreement.

(2) “Commercial loan” means a loan or extension of credit that is described in 9 V.S.A. § 46(1), (2), or (4). The term does not include a loan or extension of credit secured in whole or in part by an owner-occupied, one- to four-unit dwelling.

(2)(3) “Commissioner” means the Commissioner of Financial Regulation.

~~(3)(4)(A) “Control” means the possession, direct or indirect, of the power to direct or cause the direction of the management or policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control is presumed to exist if a person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing 10 percent or more of the voting securities or other interest of any other person:~~

(i) the power to vote, directly or indirectly, at least 25 percent of the outstanding voting shares or voting interests of a licensee or person in control of a licensee;

(ii) the power to elect or appoint a majority of key individuals; or

(iii) the power to exercise, directly or indirectly, a controlling influence over the management or policies of a licensee or person in control of a licensee.

(B) A person is presumed to exercise a controlling influence when the person holds the power to vote, directly or indirectly, at least 10 percent of the outstanding voting shares or voting interests of a licensee or person in control of a licensee.

(C) A person presumed to exercise a controlling influence as defined by subdivision (4)(B) of this section can rebut the presumption of control if the person is a passive investor.

(D) For purposes of determining the percentage of a person controlled by any other person, the person’s interest shall be aggregated with the interest of any other immediate family member as defined in subdivision (9) of this section, as well as the interest of the person’s mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and any other person who shares such person’s home.

(4)(5) “Depository institution” has the same meaning as in 12 U.S.C. § 1813 and includes any bank and any savings association as defined in

12 U.S.C. § 1813. The term also includes a credit union organized and regulated as such under the laws of the United States or any state.

~~(5)~~(6) “Dwelling” has the same meaning as in 15 U.S.C. § 1602.

~~(6)~~(7) “Federal banking agencies” means the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the National Credit Union Administration, and the Federal Deposit Insurance Corporation or any successor of any of these.

~~(7)~~(8) “Holder” means:

(A) the person in possession of a negotiable instrument that is payable either to bearer or to an identified person that is the person in possession;

(B) the person in possession of a negotiable tangible document of title if the goods are deliverable either to bearer or to the order of the person in possession; or

(C) the person in control of a negotiable electronic document of title.

~~(8)~~(9) “Immediate family member” means a spouse, child, sibling, parent, grandparent, or grandchild, aunt, uncle, nephew, niece, including stepparents, stepchildren, stepsiblings, step grandparents, step grandchildren, and adoptive relationships. The term also includes former spouses dividing property in connection with a divorce or separation.

~~(9)~~(10) “Individual” means a natural person.

~~(10)~~(11) “Insurance company” means an institution organized and regulated as such under the laws of any state.

~~(11)~~(12) “Key individual” means any individual ultimately responsible for establishing or directing policies and procedures of the licensee, such as an executive officer, manager, director, or trustee, and includes persons exercising the managerial authority of a person in control of a licensee.

(13) “Licensee” means a person required to be licensed or registered under this part.

~~(12)~~(14) “Material litigation” means a litigation that according to generally accepted accounting principles is deemed significant to an applicant’s or a licensee’s financial health and is required to be disclosed in the applicant’s or licensee’s annual audited financial statements, report to shareholders, or similar records.

~~(13)~~(15) “Mortgage loan” means a loan secured primarily by a lien against real estate.

(16) “Multistate licensing process” means any agreement entered into by and among state regulators relating to coordinated processing of applications for licenses, applications for the acquisition of control of a licensee, control determinations, or notice and information requirements for a change of key individuals.

~~(14)~~(17) “Nationwide Multistate Licensing System and Registry” or “Nationwide Mortgage Licensing System and Registry” or “NMLS” means a multistate licensing system developed by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators and operated by the State Regulatory Registry LLC for the licensing and registration of ~~non-depository~~ nondepository financial service entities in participating state agencies, or any successor to the Nationwide Multistate Licensing System and Registry.

~~(15)~~(18) “Person” has the same meaning as in 1 V.S.A. § 128.

(19) “Passive investor” means a person that:

(A) does not have the power to elect a majority of key individuals;

(B) is not employed by and does not have any managerial duties of the licensee or person in control of a licensee;

(C) does not have the power to exercise, directly or indirectly, a controlling influence over the management or policies of a licensee or person in control of a licensee; and

(D) either attests to subdivisions (A), (B), and (C) of this subdivision in a form and in a medium prescribed by the Commissioner or commits to the passivity characteristics of subdivisions (A), (B), and (C) of this subdivision in a written document.

~~(16)~~(20) “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.

~~(17)~~(21) “Residential mortgage loan” means a loan primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on either a dwelling or residential real estate, upon which is constructed or intended to be constructed a dwelling.

~~(18)~~(22) “Residential real estate” means real property located in this State, upon which is constructed or intended to be constructed a dwelling.

~~(19)~~ “Responsible individual” means an individual who is employed by a licensee and has principal, active managerial authority over the provision of services in this State.

~~(20)~~(23) “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, except that when capitalized the term means the State of Vermont.

~~(21)~~(24) “Unique identifier” means a number or other identifier assigned by protocols established by the Nationwide Multistate Licensing System and Registry.

~~(22)~~(25) “Unsafe or unsound practice” means a practice or conduct by a person licensed to do business in this State that creates the likelihood of material loss, insolvency, or dissipation of the licensee’s assets, or otherwise materially prejudices the interests of its customers.

Sec. 30. 8 V.S.A. § 2102 is amended to read:

§ 2102. APPLICATION FOR LICENSE

(a) Application for a license or registration shall be in writing, under oath, and in the form prescribed by the Commissioner, and shall contain the legal name, any fictitious name or trade name, and the address of the residence and place of business of the applicant, ~~and~~; if the applicant is a partnership ~~or an association, of every member thereof, and if a corporation, of each officer and director thereof~~ corporation, limited liability company, partnership, or other entity, the name and title of each key individual and person in control of the applicant; ~~also~~ the county and municipality with street and number, if any, where the business is to be conducted; and such further information as the Commissioner may require.

* * *

(c) In connection with an application for a license, the applicant, each ~~officer, director, and responsible individual of the applicant~~ key individual, each person in control of the applicant, and any other person the Commissioner requires in accordance with NMLS guidelines or other multistate agreements, shall furnish to the Nationwide Multistate Licensing System and Registry information concerning each person’s identity, including:

(1) fingerprints for submission to the Federal Bureau of Investigation, and any governmental agency or entity authorized to receive such information for a state, national, and international criminal history background check;

(2) personal history and experience in a form prescribed by the Nationwide Multistate Licensing System and Registry, including the

submission of authorization for the Nationwide Multistate Licensing System and Registry and the Commissioner to obtain:

(A) an independent credit report and credit score obtained from a consumer reporting agency described in 15 U.S.C. § 1681a for the purpose of evaluating the applicant's financial responsibility at the time of application; and the Commissioner may obtain additional credit reports and credit scores to confirm the licensee's continued compliance with the financial responsibility requirements of this part; and

(B) information related to any administrative, civil, or criminal findings by any governmental jurisdiction; ~~and~~

(3) if the individual has resided outside the United States at any time in the last 10 years, an investigative background report prepared by an independent search firm that meets the following minimum requirements:

(A) the search firm demonstrates that it has sufficient knowledge, resources, and employs accepted and reasonable methodologies to conduct the research of the background report;

(B) the search firm is not affiliated with nor has an interest with the individual it is researching; and

(C) the investigative background report is written in the English language and contains the following:

(i) if available in the individual's current jurisdiction of residency, a comprehensive credit report, or any equivalent information obtained or generated by the independent search firm to accomplish such report, including a search of the court data in the countries, provinces, states, cities, towns, and contiguous areas where the individual resided and worked;

(ii) criminal records information for the past 10 years, including felonies, misdemeanors, or similar convictions for violations of law in the countries, provinces, states, cities, towns, and contiguous areas where the individual resided and worked;

(iii) employment history;

(iv) media history, including an electronic search of national and local publications, wire services, and business applications; and

(v) financial services-related regulatory history, including money transmission, securities, banking, insurance, and mortgage-related industries; and

(4) any other information required by the ~~Nationwide Multistate Licensing System and Registry~~ NMLS or the Commissioner.

(d) The applicant shall provide a list of any material litigation in which the applicant has been involved in the 10-year period preceding the submission of the application.

(e) If an applicant is a corporation, limited liability company, partnership, or other entity, the applicant shall also provide:

(1) the date of the applicant's incorporation or formation and state or country of incorporation or formation;

(2) if applicable, a certificate of good standing from the state or country in which the applicant is incorporated or formed;

(3) a brief description of the structure or organization of the applicant, including any parent or subsidiary of the applicant, and whether any parent or subsidiary is publicly traded;

(4) the legal name, any fictitious or trade name, all business and residential addresses, and the employment, in the 10-year period preceding the submission of the application, of each ~~executive officer, manager, responsible individual, director of, or~~ key individual and person in control of, the applicant;

* * *

Sec. 31. 8 V.S.A. § 2103 is amended to read:

§ 2103. APPROVAL OF APPLICATION AND ISSUANCE OF LICENSE

(a) Upon the filing of an application, payment of the required fees, and satisfaction of any applicable bond and liquid asset requirements, the Commissioner shall issue a license to the applicant if the Commissioner finds:

(1)(A) The financial condition and responsibility, financial and business experience, competence, character, and general fitness of the applicant command the confidence of the community and warrant belief that the business will be operated honestly, fairly, and efficiently pursuant to the applicable chapter of this title.

(i) If the applicant is a corporation, partnership, or association, such findings are required with respect to each ~~partner, member, and responsible individual of,~~ key individual and each person in control of, the applicant.

(ii) ~~If the applicant is a corporation, such findings are required with respect to each officer, director, and responsible individual of, and each person in control of, the applicant.~~

* * *

(3) The applicant, each ~~officer, director, and responsible individual of~~ key individual, and each person in control of, the applicant, has never had a financial services license or similar license revoked in any governmental jurisdiction, except that a subsequent formal vacation of such revocation shall not be deemed a revocation.

(4) The applicant, each ~~officer, director, and responsible individual of~~ key individual, and each person in control of, the applicant has not been convicted of, or pled guilty or nolo contendere to, a felony in a domestic, foreign, or military court:

* * *

(5) The applicant has satisfied the applicable surety bond and liquid asset requirement as follows:

* * *

(C) for an application for a money transmitter license, the ~~bond and~~ net worth and security requirements of sections 2507 and 2510 2531 and 2532 of this title;

* * *

(f) If an applicant avails itself or is otherwise subject to a multistate licensing process:

(1) the Commissioner is authorized to accept the investigation results of a lead investigative state for the purposes of reaching the findings in subsections (a)–(d) of this section if the lead investigative state has sufficient staffing, expertise, and minimum standards; or

(2) if Vermont is a lead investigative state, the Commissioner is authorized to investigate the applicant pursuant to subsections (a)–(e) of this section.

(g) This section does not apply to a person applying for a commercial lender license under section 2202a of this title.

Sec. 32. 8 V.S.A. § 2107 is amended to read:

§ 2107. CHANGE OF CONTROL

(a) A licensee shall give the Commissioner notice of a proposed change of control within 30 days of the proposed change and request approval of the acquisition. A money transmitter licensee shall also submit with the notice a nonrefundable fee of \$500.00 Any person or group of persons acting in concert shall submit a request to the Commissioner and shall obtain the approval of the Commissioner prior to acquiring control. If the person or

group of persons is seeking to acquire control of a money transmitter licensee, the person or group of persons shall submit with the request a nonrefundable fee of \$500.00. An individual is not deemed to acquire control of a licensee and is not subject to this section when that individual becomes a key individual in the ordinary course of business.

~~(b) After review of a request for approval under subsection (a) of this section, the Commissioner may require the licensee to provide additional information concerning the proposed persons in control of the licensee. The additional information shall be limited to the same categories of information required of the licensee or persons in control of the licensee as part of its original license or renewal application. The request required by subsection (a) of this section shall include all information required for the person or group of persons seeking to acquire control and all new key individuals that have not previously submitted the application requirements contained in section 2102 of this chapter.~~

(c) The Commissioner shall approve a request for change of control under subsection (a) of this section if, after investigation, the Commissioner determines that the person or group of persons requesting approval has the financial condition and responsibility, competence, experience, character, and general fitness to control and operate the licensee ~~or person in control of the licensee~~ in a lawful and proper manner, and that the interests of the public will not be jeopardized by the change of control.

* * *

(h) If an applicant avails itself or is otherwise subject to a multistate licensing process:

(1) the Commissioner is authorized to accept the investigation results of a lead investigative state for the purposes of reaching the findings in subsections (c) of this section if the lead investigative state has sufficient staffing, expertise, and minimum standards; or

(2) if Vermont is a lead investigative state, the Commissioner is authorized to investigate the applicant pursuant to subsections (c) of this section.

Sec. 33. 8 V.S.A. § 2108 is amended to read:

§ 2108. NOTIFICATION OF MATERIAL CHANGE

* * *

~~(b) A licensee shall notify the Commissioner in writing within 30 days of any change in the list of executive officers, managers, directors, or responsible individuals adding or replacing any key individual shall:~~

(1) notify the Commissioner in writing within 15 days after the effective date of the key individual's appointment; and

(2) provide the information required in subsection 2102(c) of this chapter within 45 days after the effective date of the key individual's appointment.

(c) The Commissioner may issue a notice of disapproval of a key individual if the Commissioner finds that the financial condition and responsibility, financial and business experience, competence, character, or general fitness of the key individual indicates that it is not in the public interest to permit the individual to provide services in this State.

(d) A licensee shall file a report with the Commissioner within 15 business days after the licensee has reason to know of the occurrence of any of the following events involving the licensee, ~~or any executive officer, manager, director~~ key individual, or person in control, ~~responsible individual~~, ~~or equivalent~~ of the licensee:

* * *

Sec. 34. 8 V.S.A. § 2109(g) is added to read:

(g) Notwithstanding any other provisions of this title to the contrary, the license of a money transmitter who fails to pay the annual renewal fee on or before December 1 shall automatically expire on December 31.

Sec. 35. 8 V.S.A. § 2110 is amended to read:

§ 2110. REVOCATION, SUSPENSION, TERMINATION, OR
NONRENEWAL OF LICENSE; CEASE AND DESIST ORDERS

(a) The Commissioner may deny, suspend, terminate, revoke, condition, or refuse to renew a license or order that any person or licensee cease and desist in any specified conduct if the Commissioner finds:

* * *

(6) the competence, experience, character, or general fitness of the licensee, person in control of a licensee, or ~~responsible individual of the licensee~~ key individual indicates that it is not in the public interest to permit the person to provide services in this State;

* * *

(b) The Commissioner may issue orders or directives to any person:

* * *

(5) to remove any officer, director, employee, ~~responsible individual~~ key individual, or ~~control~~ person in control; or

* * *

Sec. 36. 8 V.S.A. § 2115 is amended to read:

§ 2115. PENALTIES

* * *

(d) It shall be a criminal offense, punishable by a fine of not more than \$10,000.00 or imprisonment of not more than three years in prison, or both, for any person to intentionally make a false statement, misrepresentation, or false certification in a record filed or required to be maintained by this part, or to intentionally make a false entry or omit a material entry in such a record, or to knowingly engage in any activity for which a license is required under this chapter without being licensed under this chapter.

(e)(1) A loan contract made in knowing and willful violation of subdivision 2201(a)(1) of this title is void, and the lender shall not collect or receive any principal, interest, or charges; provided, however, in the case of a loan made in violation of subdivision 2201(a)(1) of this title, where the Commissioner does not find a knowing and willful violation, the lender shall not collect or receive any interest or charges, but may collect and receive principal.

(2) If a person who receives an order that directs the person to cease exercising the duties and powers of a licensee and imposes an administrative penalty under this part continues to perform the duties or exercise the powers of a licensee without satisfying the penalty, or otherwise reaching a satisfactory resolution between the parties, or securing a decision vacating the order by the Commissioner or by a court of competent jurisdiction, a loan contract made by the person after receipt of such order is void and the lender shall not collect or receive any principal, interest, or charges.

(e)(f) The powers vested in the Commissioner in this part are in addition to any other powers to enforce penalties, fines, or forfeitures authorized by law.

(g) This section does not limit the power of the State to punish a person for conduct that otherwise constitutes a crime under Vermont law.

Sec. 37. 8 V.S.A. § 2127 is added to read:

§ 2127. NETWORKED SUPERVISION

(a) To efficiently and effectively administer and enforce this chapter and to minimize regulatory burden, the Commissioner is authorized and encouraged to participate in multistate supervisory processes established between states and coordinated through the Conference of State Bank Supervisors, Money Transmitter Regulators Association, and affiliates and successors thereof, for

all licensees that hold licenses in Vermont and in other states. As a participant in multistate supervision, the Commissioner may:

(1) cooperate, coordinate, and share information with other state and federal regulators in accordance with section 22 of this title and section 2126 of this chapter;

(2) enter into written cooperation, coordination, or information-sharing contracts or agreements with organizations the membership of which is comprised of state or federal governmental agencies; and

(3) cooperate, coordinate, and share information with organizations the membership of which is made up of state or federal governmental agencies, provided that the organizations agree in writing to maintain the confidentiality and security of the shared information in accordance with section 22 of this title.

(b) The Commissioner shall not waive, and nothing in this section constitutes a waiver of, the Commissioner's authority to conduct an examination or investigation or otherwise take independent action authorized by this chapter or a rule adopted or order issued under this chapter to enforce compliance with applicable State or federal law.

Sec. 38. REPEAL

8 V.S.A. chapter 79 (money services), subchapter 1 (general provisions) and subchapter 2 (money transmission licenses) are repealed.

Sec. 39. 8 V.S.A. chapter 79, subchapter 1 is added to read:

Subchapter 1. General Provisions

§ 2500. PURPOSE

This chapter, as amended, is designed to replace portions of the prior money services law that addressed money transmission. It is the intent of the General Assembly that the provisions of this chapter accomplish the following:

(1) ensure the State can coordinate with other states in all areas of regulation, licensing, and supervision to eliminate unnecessary regulatory burden and more effectively use regulator resources;

(2) protect the public from financial crime;

(3) standardize the types of activities that are subject to licensing or otherwise exempt from licensing; and

(4) modernize safety and soundness requirements to ensure customer funds are protected in an environment that supports innovative and competitive business practices.

§ 2501. TRANSITION PERIOD

(a) A person licensed under subchapter three of this chapter prior to July 1, 2024, and their authorized delegates, shall not be subject to the provisions of this chapter that establish new or different requirements from those that existed prior to July 1, 2024 until July 1, 2025.

(b) Notwithstanding subsection (a) of this section, on or before July 1, 2025 a licensee shall amend its authorized delegate written contracts to comply with the requirements in section 2025 of this chapter, provided the licensee and authorized delegate otherwise operate in full compliance with this chapter pursuant to the timeline established in subsection (a) of this section.

§ 2502. RELATIONSHIP TO FEDERAL LAW

(a) In the event state money transmission jurisdiction is conditioned on a federal law, any inconsistencies between a provision of this chapter and the federal law governing money transmission shall be governed by the applicable federal law to the extent of the inconsistency.

(b) In the event of any inconsistencies between this chapter and a federal law that governs pursuant to subsection (a) of this section, the Commissioner may provide interpretive guidance that:

- (1) identifies the inconsistency; and
- (2) identifies the appropriate means of compliance with federal law.

§ 2503. DEFINITIONS

As used in this chapter:

(1) “Authorized delegate” means a person a licensee designates to engage in money transmission on behalf of the licensee.

(2) “Average daily money transmission liability” means the amount of the licensee’s outstanding money transmission obligations in this State at the end of each day in a given period of time, added together, and divided by the total number of days in the given period of time. For purposes of calculating average daily money transmission liability under this chapter for any licensee required to do so, the given periods of time shall be the quarters ending March 31, June 30, September 30, and December 31.

(3) “Bank Secrecy Act” means the Bank Secrecy Act, 31 U.S.C. § 5311, et seq. and its implementing regulations, as may be amended.

(4) “Check cashing” means receiving at least \$500.00 compensation within a 30-day period for taking payment instruments or stored value, other than traveler’s checks, in exchange for money, payment instruments, or stored

value delivered to the person delivering the payment instrument or stored value at the time and place of delivery without any agreement specifying when the person taking the payment instrument will present it for collection.

(5) “Closed loop stored value” means stored value that is redeemable by the issuer only for goods or services provided by the issuer or its affiliate or franchisees of the issuer or its affiliate, except to the extent required by applicable law to be redeemable in cash for its cash value.

(6) “Control of virtual currency,” when used in reference to a transaction or relationship involving virtual currency, means the power to execute unilaterally or prevent indefinitely a virtual currency transaction.

(7) “Currency exchange” means receipt of revenues equal to or greater than five percent of total revenues from the exchange of money of one government for money of another government.

(8) “Eligible rating” shall mean a credit rating of any of the three highest rating categories provided by an eligible rating service, whereby each category may include rating category modifiers such as “plus” or “minus” for S&P, or the equivalent for any other eligible rating service. Long-term credit ratings are deemed eligible if the rating is equal to A- or higher by S&P, or the equivalent from any other eligible rating service. Short-term credit ratings are deemed eligible if the rating is equal to or higher than A-2 or SP-2 by S&P, or the equivalent from any other eligible rating service. In the event that ratings differ among eligible rating services, the highest rating shall apply when determining whether a security bears an eligible rating.

(9) “Eligible rating service” shall mean any Nationally Recognized Statistical Rating Organization (NRSRO) as defined by the U.S. Securities and Exchange Commission, and any other organization designated by the Commissioner by rule or order.

(10) “In this State” means at a physical location within Vermont for a transaction requested in person. For a transaction requested electronically or by phone, the provider of money transmission may determine if the person requesting the transaction is “in this State” by relying on other information provided by the person regarding the location of the individual’s residential address or a business entity’s principal place of business or other physical address location, and any records associated with the person that the provider of money transmission may have to indicate such location, including an address associated with an account.

(11) “Licensee” means a person licensed under this chapter.

(12) “Limited station” means private premises where a check casher is authorized to engage in check cashing for not more than two days of each

week solely for the employees of the particular employer or group of employers specified in the check casher license application.

(13) “Mobile location” means a vehicle or a movable facility where check cashing occurs.

(14) “Monetary value” means a medium of exchange, whether or not redeemable in money.

(15) “Money” means a medium of exchange that is issued by the United States or a foreign government. The term includes a monetary unit of account established by an intergovernmental organization or by agreement between two or more governments.

(16) “Money services” means money transmission, check cashing, or currency exchange.

(17)(A) “Money transmission” means any of the following:

(i) selling or issuing payment instruments to a person located in this State;

(ii) selling or issuing stored value to a person located in this State;
or

(iii) receiving money for transmission from a person located in this State.

(B) The term “money transmission” includes payroll processing services.

(C) The term “money transmission” does not include the provision solely of telecommunications services or network access.

(18) “Money transmission kiosk” means an automated, unstaffed electronic machine that allows users to engage in money transmission, including any machine that is capable of accepting or dispensing cash in exchange for virtual currency. The term does not include consumer cell phones and other similar personal devices.

(19)(A) “Outstanding money transmission obligations” shall be established and extinguished in accordance with applicable state law and shall mean:

(i) any payment instrument or stored value issued or sold by the licensee to a person located in the United States or reported as sold by an authorized delegate of the licensee to a person that is located in the United States that has not yet been paid or refunded by or for the licensee, or escheated in accordance with applicable abandoned property laws; or

(ii) any money received for transmission by the licensee or an authorized delegate in the United States from a person located in the United States that has not been received by the payee or refunded to the sender, or escheated in accordance with applicable abandoned property laws.

(B) For purposes of this section, “in the United States” shall include, to the extent applicable, a person in any state, territory, or possession of the United States; the District of Columbia; the Commonwealth of Puerto Rico; or a U.S. military installation located in a foreign country.

(20) “Payment instrument” means a written or electronic check, draft, money order, traveler’s check, or other written or electronic instrument for the transmission or payment of money or monetary value, whether or not negotiable. The term does not include stored value or any instrument that is:

(A) redeemable by the issuer only for goods or services provided by the issuer or its affiliate or franchisees of the issuer or its affiliate, except to the extent required by applicable law to be redeemable in cash for its cash value; or

(B) not sold to the public but issued and distributed as part of a loyalty, rewards, or promotional program.

(21) “Payroll processing services” means receiving money for transmission pursuant to a contract with a person to deliver wages or salaries, make payment of payroll taxes to state and federal agencies, make payments relating to employee benefit plans, or make distributions of other authorized deductions from wages or salaries. The term does not include an employer performing payroll processing services on its own behalf or on behalf of its affiliate.

(22) “Prevailing market value” means the value to buy or sell a particular virtual currency, as applicable, quoted on a virtual currency exchange operated by a licensee based in the United States, with sufficient volume to reflect the prevailing market price of such virtual currency.

(23) “Receiving money for transmission” or “money received for transmission” means receiving money or monetary value in the United States for transmission within or outside the United States by electronic or other means.

(24) “Stored value” means monetary value representing a claim against the issuer evidenced by an electronic or digital record, and that is intended and accepted for use as a means of redemption for money or monetary value, or payment for goods or services. The term includes “prepaid access” as defined by 31 C.F.R. § 1010.100, as may be amended. Notwithstanding the foregoing, the term “stored value” does not include a payment instrument or closed loop

stored value, or stored value not sold to the public but issued and distributed as part of a loyalty, rewards, or promotional program.

(25) “Tangible net worth” means the aggregate assets of a licensee excluding all intangible assets, less liabilities, as determined in accordance with United States generally accepted accounting principles.

(26) “U.S. dollar equivalent of virtual currency” means the prevailing market value of a particular virtual currency in United States dollars for a particular date or period specified in this chapter.

(27)(A) “Virtual currency” means a digital representation of value that:

(i) is used as a medium of exchange, unit of account, or store of value; and

(ii) is not money, whether or not denominated in money.

(B) The term “virtual currency” does not include:

(i) a digital representation of value that can be redeemed for goods, services, discounts, or purchases solely as part of a customer affinity or rewards program with the issuing merchant or other designated merchants, or both, or can be redeemed for digital units in another customer affinity or rewards program, but cannot be, directly or indirectly, converted into, redeemed, or exchanged for money, monetary value, bank credit, or virtual currency; or

(ii) a digital representation of value issued by or on behalf of a publisher and used solely within an online game, game platform, or family of games sold by the same publisher or offered on the same game platform, and:

(I) has no market or application outside of such online game, game platform, or family of games;

(II) cannot be, directly or indirectly, converted into, redeemed, or exchanged for money, monetary value, bank credit, or virtual currency; and

(III) may or may not be redeemable for real-world goods, services, discounts, or purchases.

(28) “Virtual-currency administration” means:

(A) issuing virtual currency with the authority to redeem such virtual currency for money, monetary value, bank credit, or other virtual currency; or

(B) issuing virtual currency that entitles the purchaser or holder of such virtual currency, or otherwise conveys or represents a right of the purchaser or holder of such virtual currency, to redeem such virtual currency for money, monetary value, bank credit, or other virtual currency.

(29) “Virtual-currency business activity” means:

(A) exchanging or transferring virtual currency, engaging in virtual-currency administration, or engaging in virtual-currency storage, in each case whether directly or through an agreement with a virtual-currency control-services vendor;

(B) holding electronic precious metals or electronic certificates representing interests in precious metals on behalf of another person or issuing shares or electronic certificates representing interests in precious metals;

(C) buying or selling virtual currency as a consumer business; or

(D) receiving virtual currency or control of virtual currency for transmission or transmitting virtual currency, except where the transaction is undertaken for nonfinancial purposes and does not involve the transfer of more than a nominal amount of virtual currency.

(30) “Virtual-currency control-services vendor” means a person that has control of virtual currency solely under an agreement with a person that, on behalf of another person, assumes control of virtual currency.

(31) “Virtual-currency kiosk operator” means a person that engages in virtual-currency business activity via a money transmission kiosk located in this State or a person that owns, operates, or manages a money transmission kiosk located in this State through which virtual-currency business activity is offered.

(32) “Virtual-currency storage” means:

(A) maintaining possession, custody, or control over virtual currency on behalf of another person, including as a virtual-currency control-services vendor;

(B) issuing, transferring, or otherwise granting or providing to any person in this State any claim or right, or any physical, digital, or electronic instrument, receipt, certificate, or record representing any claim or right to receive, redeem, withdraw, transfer, exchange, or control any virtual currency or amount of virtual currency; or

(C) receiving possession, custody, or control over virtual currency from a person in this State, in return for a promise or obligation to return, repay, exchange, or transfer such virtual currency or a like amount of such virtual currency.

§ 2504. EXEMPTIONS

This chapter does not apply to:

(1) An operator of a payment system to the extent that it provides processing, clearing, or settlement services, between or among persons exempted by this section or licensees, in connection with wire transfers, credit card transactions, debit card transactions, stored-value transactions, automated clearing house transfers, or similar funds transfers.

(2) A person appointed as an agent of a payee to collect and process a payment from a payor to the payee for goods or services, other than money transmission itself, provided to the payor by the payee, provided that:

(A) there exists a written agreement between the payee and the agent directing the agent to collect and process payments from payors on the payee's behalf;

(B) the payee holds the agent out to the public as accepting payments for goods or services on the payee's behalf; and

(C) payment for the goods and services is treated as received by the payee upon receipt by the agent so that the payor's obligation is extinguished and there is no risk of loss to the payor if the agent fails to remit the funds to the payee.

(3) A person that acts as an intermediary by processing payments between an entity that has directly incurred an outstanding money transmission obligation to a sender, and the sender's designated recipient, provided that the entity:

(A) is properly licensed or exempt from licensing requirements under this chapter;

(B) provides a receipt, electronic record, or other written confirmation to the sender identifying the entity as the provider of money transmission in the transaction; and

(C) bears sole responsibility to satisfy the outstanding money transmission obligation to the sender, including the obligation to make the sender whole in connection with any failure to transmit the funds to the sender's designated recipient.

(4) The United States or a department, agency, or instrumentality thereof, or its agent.

(5) Money transmission by the U.S. Postal Service or by an agent of the U.S. Postal Service.

(6) A state, county, city, or any other governmental agency or governmental subdivision or instrumentality of a state, or its agent.

(7) A financial institution as defined in subdivision 11101(32) of this title, or a credit union, provided their deposits are federally insured.

(8) A financial institution holding company as defined in subdivision 11101(33) of this title; an office of an international banking corporation; a foreign bank that establishes a federal branch pursuant to the International Bank Act, 12 U.S.C. § 3102, as may be amended; a corporation organized pursuant to the Bank Services Company Act, 12 U.S.C. §§ 1862–1867, as may be amended; a corporation organized under the Edge Act, 12 U.S.C. §§ 611–633, as may be amended; an independent trust company organized under chapter 77 of this title; or a special purpose financial institution that is organized under the laws of this State.

(9) Electronic funds transfer of governmental benefits for a federal, state, county, or governmental agency by a contractor on behalf of the United States or a department, agency, or instrumentality thereof, or on behalf of a state or governmental subdivision, agency, or instrumentality thereof.

(10) A board of trade designated as a contract market under the federal Commodity Exchange Act, 7 U.S.C. §§ 1–25, as may be amended, or a person that, in the ordinary course of business, provides clearance and settlement services for a board of trade to the extent of its operation as or for such a board.

(11) A registered futures commission merchant under the federal commodities laws to the extent of its operation as such a merchant.

(12) A person registered as a securities broker-dealer under federal or state securities laws to the extent of its operation as such a broker-dealer.

(13) An individual employed by a licensee, authorized delegate, or any person exempted from the licensing requirements of this chapter when acting within the scope of employment and under the supervision of the licensee, authorized delegate, or exempted person as an employee and not as an independent contractor.

(14) A person expressly appointed as a third-party service provider to or agent of an entity exempt under subdivision (7) of this section, solely to the extent that:

(A) such service provider or agent is engaging in money transmission on behalf of and pursuant to a written agreement with the exempt entity that sets forth the specific functions that the service provider or agent is to perform; and

(B) the exempt entity assumes all risk of loss and all legal responsibility for satisfying the outstanding money transmission obligations

owed to purchasers and holders of the outstanding money transmission obligations upon receipt of the purchaser's or holder's money or monetary value by the service provider or agent.

(15) The sale or issuance of stored value by a public or nonprofit school to its students and employees.

(16) A debt adjuster licensed pursuant to chapter 133 of this title when engaged in the business of debt adjustment.

(17) A person exempt by rule or order if the Commissioner finds such exemption to be in the public interest and that the regulation of such person is not necessary for the purposes of this chapter.

§ 2504a. AUTHORITY TO REQUIRE DEMONSTRATION OF EXEMPTION

The Commissioner may require that any person claiming to be exempt from licensing pursuant to section 2504 of this chapter provide information and documentation to the Commissioner demonstrating that it qualifies for any claimed exemption.

Sec. 40. 8 V.S.A. chapter 79, subchapter 2 is added to read:

Subchapter 2. Money Transmission Licenses

§ 2505. LICENSE REQUIRED

(a) A person shall not engage in the business of money transmission or advertise, solicit, or hold itself out as providing money transmission, unless the person is licensed under this subchapter.

(b) Subsection (a) of this section does not apply to:

(1) a person that is an authorized delegate of a person licensed under this subchapter acting within the scope of authority conferred by a written contract with the licensee; or

(2) a person that is exempt pursuant to section 2504 of this chapter and does not engage in money transmission outside the scope of such exemption.

§2506. APPLICATION FOR LICENSE; ADDITIONAL INFORMATION

(a) In addition to the information required by section 2102 of this title, an application for a license under this subchapter shall state or contain:

(1) a description of any money services previously provided by the applicant and the money services that the applicant seeks to provide in this State;

(2) a list of the applicant's proposed authorized delegates, and the locations in Vermont where the applicant and its authorized delegates propose to engage in money transmission or provide other money services;

(3) a list of other states in which the applicant is licensed to engage in money transmission or provide other money services;

(4) information concerning any bankruptcy or receivership proceedings affecting the licensee or a person in control of a licensee;

(5) a sample form of contract for authorized delegates, if applicable;

(6) a sample form of payment instrument or instrument upon which stored value is recorded, as applicable; and

(7) the name and address of any financial institution through which the applicant plans to conduct money services.

(b) For good cause shown and consistent with the purposes of this section, the Commissioner may waive one or more requirements of this section or permit an applicant to submit substituted information in lieu of the required information.

§ 2507. MONEY TRANSMISSION KIOSK REGISTRATION

(a) A licensee shall not locate, or allow a third party to locate, a money transmission kiosk in this State that allows users of the money transmission kiosk to engage in money transmission through the licensee unless the licensee registers the money transmission kiosk and obtains the prior approval of the Commissioner for its activation.

(b) To apply for registration and approval to activate a money transmission kiosk, a licensee shall submit an application, using a form prescribed by the Commissioner, that includes the ownership and location of the money transmission kiosk, an affidavit of all businesses and services to be offered at the kiosk, the written agreement between the licensee and the owner of the money transmission kiosk if different persons, and the text of each disclosure required pursuant to subsection (c) of this section along with a description of the form, timing, and location for each disclosure.

(c) Each money transmission kiosk shall disclose prominently and conspicuously, using as high a contrast or resolution as any other display or graphics on the money transmission kiosk, prior to the point at which a user of the money transmission kiosk is irrevocably committed to completing any transaction:

(1) on or at the location of the money transmission kiosk, or on the first screen of such kiosk, the name, address, and telephone number of the owner of

the kiosk and the days, time, and means by which a consumer can contact the owner for consumer assistance; and

(2) on the screen of the money transmission kiosk:

(A) for a transaction that does not involve virtual currency, the amount of the fees or charges that will be assessed to the user of the money transmission kiosk for the transaction by the licensee and by the owner of the money transmission kiosk, a clear explanation of who is imposing each fee or charge and that such fees and charges are in addition to any fees or charges that may be imposed by other entities relevant to the particular transaction, and the method by which the user may cancel the transaction to avoid the imposition of fees or charges; and

(B) for a transaction that involves virtual currency, all disclosures required pursuant to subsection 2574(c) of this chapter, a clear explanation of who is imposing each consideration to be charged for the transaction, and that such consideration is in addition to any fees or charges that may be imposed by other entities relevant to the particular transaction, and the method by which the user may cancel the transaction to avoid the imposition of the consideration and other fees or charges.

(d) Any alterations in the form, content, timing, or location of previously approved disclosures must be submitted to and approved by the Commissioner prior to their adoption and use.

(e) To ensure adequate consumer protection, the Commissioner may by rule or order specify additional minimum disclosure standards for money transmission kiosks, including the form, content, timing, and location of such disclosures.

(f) Immediately following the completion of each transaction, each money transmission kiosk shall provide the user of the money transmission kiosk with a receipt that is compliant with sections 2562 and 2574 of this chapter as applicable to the particular transaction.

Sec. 41. 8 V.S.A. chapter 79, subchapter 3 is amended to read:

Subchapter 3. Check Cashing and Currency Exchange Licenses

§ 2515. CHECK CASHING AND CURRENCY EXCHANGE ~~LICENSES~~
LICENSE REQUIRED

(a) ~~A person licensed under this subchapter may~~ shall not engage in check cashing and currency exchange, or hold itself out as providing these money services, unless the person is licensed under this chapter.

(b) Subsection (a) of this section shall not apply to:

~~(1) A person licensed under subchapter 2 of this chapter may engage in check cashing and currency exchange without first obtaining a separate license under this subchapter.;~~

~~(e)(2) An authorized delegate of a person licensed under subchapter 2 of this chapter may engage in check cashing and currency exchange without first obtaining a license under this subchapter if such money services are within the scope of activity permissible under the authority conferred by a written contract between the authorized delegate and the licensee; or~~

~~(3) a person that is exempt pursuant to section 2504 of this chapter and that does not engage in money services outside the scope of such exemption.~~

* * *

§ 2520. APPLICABILITY OF SUBCHAPTERS

The following subchapters of this chapter shall not apply to persons licensed under this subchapter: subchapter 4 (authorized delegates of money transmitters), subchapter 5 (reporting and records for money transmitters), subchapter 6 (prudential standards for money transmitters), subchapter 9 (timely transmission, refunds, and disclosures by money transmitters), and subchapter 10 (virtual currency).

Sec. 42. 8 V.S.A. chapter 79, subchapter 4 is amended to read:

Subchapter 4. Authorized Delegates of Money Transmitters

§ 2525. RELATIONSHIP BETWEEN LICENSEE AND AUTHORIZED DELEGATE

~~(a) In As used in this subchapter, “remit” means to make direct payments of money to a licensee or its representative authorized to receive the money, or to deposit money in a depository institution within the meaning of subdivision 11101(24) of this title the money in an entity identified as exempt under subdivision 2504(7) of this chapter, in an account specified by the licensee.~~

~~(b) A contract between a licensee and an authorized delegate shall require the authorized delegate to operate in full compliance with this chapter. The licensee shall furnish in a record to each authorized delegate policies and procedures sufficient to permit compliance with this chapter.~~

~~(c) An authorized delegate shall remit all money owing to the licensee in accordance with the terms of the contract between the licensee and the authorized delegate.~~

~~(d) If a license is suspended, revoked, or nonrenewed, the Commissioner shall notify all authorized delegates of the licensee whose names are in a record filed with the Commissioner of the suspension, revocation, or~~

~~nonrenewal. After notice is sent or publication is made, an authorized delegate shall immediately cease to provide money services as a delegate of the licensee.~~

~~(e) An authorized delegate may not provide money services outside the scope of activity permissible under the contract between the authorized delegate and the licensee, except for activity in which the authorized delegate is otherwise licensed or authorized to engage.~~

~~(f) An authorized delegate of a licensee holds in trust for the benefit of the licensee all money less fees earned from money transmission.~~

~~(g) A person shall not provide money services on behalf of a person not licensed under this chapter. A person that engages in any money services activity under this chapter shall be subject to the provisions of this chapter to the same extent as if the person were a licensee under this chapter.~~

~~(h) A person may not be an authorized delegate of another authorized delegate. An authorized delegate must enter into a contract directly with a licensee. Before a licensee is authorized to conduct business through an authorized delegate or allows a person to act as the licensee's authorized delegate, the licensee shall:~~

~~(1) adopt, and update as necessary, written policies and procedures reasonably designed to ensure that the licensee's authorized delegates comply with applicable state and federal law;~~

~~(2) enter into a written contract that complies with subsection (d) of this section; and~~

~~(3) conduct a reasonable risk-based background investigation sufficient for the licensee to determine whether the authorized delegate has complied and will likely comply with applicable state and federal law.~~

~~(c) An authorized delegate must operate in full compliance with this chapter.~~

~~(d) The written contract required by subsection (b) of this section must be signed by the licensee and the authorized delegate and, at a minimum, shall:~~

~~(1) appoint the person signing the contract as the licensee's authorized delegate with the authority to conduct money transmission on behalf of the licensee;~~

~~(2) set forth the nature and scope of the relationship between the licensee and the authorized delegate and the respective rights and responsibilities of the parties;~~

(3) require the authorized delegate to agree to fully comply with all applicable state and federal laws, rules, and regulations pertaining to money transmission, including this chapter and rules implementing this chapter, relevant provisions of the Bank Secrecy Act and the USA PATRIOT Act;

(4) require the authorized delegate to remit and handle money and monetary value in accordance with the terms of the contract between the licensee and the authorized delegate;

(5) impose a trust on money and monetary value net of fees received for money transmission for the benefit of the licensee;

(6) require the authorized delegate to prepare and maintain records as required by this chapter or rules implementing this chapter, or as reasonably requested by the Commissioner;

(7) acknowledge that the authorized delegate consents to examination or investigation by the Commissioner;

(8) state that the licensee is subject to regulation by the Commissioner and that, as part of that regulation, the Commissioner may suspend or revoke an authorized delegate designation or require the licensee to terminate an authorized delegate designation; and

(9) acknowledge receipt of the written policies and procedures required under subsection (b) of this section.

(e) If the licensee's license is suspended, revoked, terminated, nonrenewed, surrendered or expired, the licensee must, within five business days, provide documentation to the Commissioner that the licensee has notified all applicable authorized delegates of the licensee whose names are in a record filed with the Commissioner of the suspension, revocation, termination, nonrenewal, surrender, or expiration of a license. Upon suspension, revocation, termination, nonrenewal, or surrender of a license, applicable authorized delegates shall immediately cease to provide money transmission as an authorized delegate of the licensee.

(f) An authorized delegate of a licensee holds in trust for the benefit of the licensee all money net of fees received from money transmission. If any authorized delegate commingles any funds received from money transmission with any other funds or property owned or controlled by the authorized delegate, all commingled funds and other property shall be considered held in trust in favor of the licensee in an amount equal to the amount of money net of fees received from money transmission.

(g) An authorized delegate shall not use a subdelegate to conduct money transmission on behalf of a licensee.

§ 2526. UNAUTHORIZED ACTIVITIES

A person shall not engage in the business of money transmission on behalf of a person not licensed under subchapter 2 of this chapter or not exempt pursuant to subchapter 1 of this chapter. A person that engages in such activity provides money transmission to the same extent as if the person were a licensee, and shall be jointly and severally liable with the unlicensed or nonexempt person.

§ 2527. TERMINATION OR SUSPENSION OF AUTHORIZED DELEGATE ACTIVITY

(a) The authority granted to the Commissioner over licensees in section 2110 of this title applies equally to authorized delegates.

(b) The Commissioner may issue an order suspending or barring any authorized delegate or any key individual or person in control of such authorized delegate from continuing to be or becoming an authorized delegate of any licensee during the period for which such orders is in effect, or may order that an authorized delegate cease and desist in any specified conduct.

(c) Upon issuance of a suspension or bar order, the licensee shall terminate its relationship with such authorized delegate according to the terms of the order.

§ 2528. PRIVATE ACTIONS AGAINST AUTHORIZED DELEGATES

(a) Distinct from the Commissioner's authority over licensees and authorized delegates, any court in this State with jurisdiction over a private civil action brought by a licensee against an authorized delegate shall have the ability to grant appropriate equitable or legal relief, including prohibiting the authorized delegate from directly or indirectly acting as an authorized delegate for any licensee in this State and the payment of restitution, damages, or other monetary relief, if the court finds that an authorized delegate failed to remit money in accordance with the written contract required by subsection 2525(b) of this chapter or as otherwise directed by the licensee or required by law.

(b) If the court issues an order prohibiting a person from acting as an authorized delegate for any licensee pursuant to subsection (a) of this section, the licensee that brought the action shall report the order to the Commissioner within 30 days and shall report the order through NMLS within 90 days.

Sec. 43. REPEAL

8 V.S.A. chapter 79, subchapter 5 (examinations; reports; records), subchapter 6 (permissible investments), and subchapter 7 (enforcement) are repealed.

Sec. 44. 8 V.S.A. chapter 79, subchapters 5–7 are added to read:

Subchapter 5. Reporting and Records for Money Transmitters

§ 2530. REPORT OF CONDITION

(a) Each licensee shall submit a report of condition within 45 days of the end of the calendar quarter, or within any extended time as the Commissioner may prescribe.

(b) The report of condition shall include:

(1) Financial information at the licensee level.

(2) Nationwide and state-specific money transmission transaction information in every jurisdiction in the United States where the licensee is licensed to engage in money transmission.

(3) A permissible investments report.

(4) Transaction destination country reporting for money received for transmission, if applicable.

(5) Any other information the Commissioner reasonably requires with respect to the licensee. The Commissioner is authorized and encouraged to use NMLS for the submission of the report required by this section.

(c) The information required by subdivision (b)(4) of this section shall only be included in a report of condition submitted within 45 days after the end of the fourth calendar quarter.

§ 2531. AUDITED FINANCIALS

(a) Each licensee shall, within 90 days after the end of each fiscal year, or within any extended time as the Commissioner may prescribe, file with the Commissioner:

(1) an audited financial statement of the licensee for the fiscal year prepared in accordance with U.S. generally accepted accounting principles; and

(2) any other information as the Commissioner may reasonably require.

(b) The audited financial statements shall be prepared by an independent certified public accountant or independent public accountant who is satisfactory to the Commissioner.

(c) The audited financial statements shall include or be accompanied by a certificate of opinion of the independent certified public accountant or independent public accountant that is satisfactory in form and content to the Commissioner. If the certificate or opinion is qualified, the Commissioner

may order the licensee to take any action as the Commissioner may find necessary to enable the independent or certified public accountant or independent public accountant to remove the qualification.

§ 2532. AUTHORIZED DELEGATE REPORTING

(a) Each licensee shall submit a report of authorized delegates within 45 days after the end of the calendar quarter. The Commissioner is authorized and encouraged to use NMLS for the submission of the report required by this section provided that such functionality is consistent with the requirements of this section.

(b) The authorized delegate report shall include, at a minimum, each authorized delegate's:

- (1) company legal name;
- (2) taxpayer employer identification number;
- (3) principal provider identifier;
- (4) physical address;
- (5) mailing address;
- (6) any business conducted in other states;
- (7) any fictitious or trade name;
- (8) contact person name, phone number, and e-mail
- (9) start date as licensee's authorized delegate;
- (10) end date acting as licensee's authorized delegate, if applicable;
- (11) any administrative, civil, or criminal order against an authorized delegate concerning their activity as an authorized delegate; and
- (12) any other information the Commissioner reasonably requires with respect to the authorized delegate.

§ 2533. CHANGE OF AUTHORIZED DELEGATE

A licensee shall notify the Commissioner in writing within 30 days after any change in the list of authorized delegates, identifying the name and street address of each new authorized delegate and of each removed authorized delegate.

§ 2534. MONEY LAUNDERING REPORTS

A licensee and an authorized delegate shall file all reports required by federal currency reporting, record keeping, and suspicious activity reporting requirements as set forth in the Bank Secrecy Act and other federal and state

laws pertaining to money laundering. The timely filing of a complete and accurate report required under this section with the appropriate federal agency is deemed compliance with the requirements of this section.

Subchapter 6. Prudential Standards for Money Transmitters

§ 2540. NET WORTH

(a) A licensee under this chapter shall maintain at all times a tangible net worth of the greater of \$100,000.00 or three percent of total assets for the first \$100,000,000.00, two percent of additional assets for \$100,000,000.00 to \$1,000,000,000.00, and 0.5 percent of additional assets for over \$1,000,000,000.00.

(b) Tangible net worth must be demonstrated at initial application by the applicant's most recent audited or unaudited financial statements pursuant to subsection 2102(e) of this title.

(c) Notwithstanding subsections (a) and (b) of this section, the Commissioner for good cause shown has the authority to exempt an applicant or licensee from the requirements of this section, in part or in whole.

§ 2541. SECURITY

(a) An applicant for a money transmission license shall provide, and a licensee at all times shall maintain, security consisting of a surety bond in a form satisfactory to the Commissioner or, with the Commissioner's approval, a deposit that meets the requirements of this section.

(b) The amount of the required security shall be the greater of \$100,000.00 or an amount equal to one hundred percent of the licensee's average daily money transmission liability in this State calculated for the most recently completed three-month period, up to a maximum of \$2,000,000.00.

(c) A licensee that maintains a surety bond or deposit in the maximum amount provided for in subsection (b) of this section shall not be required to calculate its average daily money transmission liability in this State for purposes of this section.

(d) A licensee may exceed the maximum required surety bond or deposit amount pursuant to subdivision 2543(a)(5) of this subchapter.

(e) The surety bond or deposit shall be payable to the State for use of the State and for the benefit of any claimant against the licensee and its authorized delegates to secure the faithful performance of the obligations of the licensee and its authorized delegates with respect to money transmission.

(f) The aggregate liability on a surety bond may not exceed the principal sum of the bond. A claimant against a licensee or its authorized delegate may

maintain an action directly against the bond, or the Commissioner may maintain an action on behalf of the claimant against the bond. The power vested in the Commissioner by this subsection shall be in addition to any other powers of the Commissioner under this chapter.

(g) The surety bond or deposit shall cover claims effective for as long as the Commissioner specifies, but for at least five years after the licensee ceases to provide money services in this State. However, the Commissioner may permit the amount of security to be reduced or eliminated before the expiration of that time to the extent the amount of the licensee's outstanding money transmission obligations in this State is reduced.

§ 2542. MAINTENANCE OF PERMISSIBLE INVESTMENTS

(a) A licensee shall maintain at all times permissible investments that have a market value computed in accordance with U.S. generally accepted accounting principles of not less than the aggregate amount of all of its outstanding money transmission obligations.

(b) Except for permissible investments enumerated in subsection 2543(a) of this subchapter, the Commissioner, with respect to any licensee, may by rule or order limit the extent to which a specific investment maintained by a licensee within a class of permissible investments may be considered a permissible investment, if the specific investment represents undue risk to customers, not reflected in the market value of investments.

(c) Permissible investments, even if commingled with other assets of the licensee, are held in trust for the benefit of the purchasers and holders of the licensee's outstanding money transmission obligations upon the occurrence of one or more of the following events:

(1) the insolvency of the licensee;

(2) the filing of a petition by or against the licensee under the U.S. Bankruptcy Code, 11 U.S.C. §§ 101–110, as may be amended, for bankruptcy or reorganization;

(3) the filing of a petition by or against the licensee for receivership;

(4) the commencement of any other judicial or administrative proceeding for its dissolution or reorganization, or

(5) the commencement of an action by a creditor against the licensee who is not a beneficiary of this statutory trust.

(d) No permissible investments impressed with a trust pursuant to subsection (c) of this section shall be subject to attachment, levy of execution,

or sequestration by order of any court, except for a beneficiary of this statutory trust.

(e) Upon the establishment of a statutory trust in accordance with subsection (c) of this section or when any funds are drawn on a letter of credit pursuant to subdivision 2543(a)(4) of this subchapter, the Commissioner shall notify the applicable regulator of each state in which the licensee is licensed to engage in money transmission, if any, of the establishment of the trust or the funds drawn on the letter of credit, as applicable. Notice shall be deemed satisfied if performed pursuant to a multistate agreement or through NMLS. Funds drawn on a letter of credit, and any other permissible investments held in trust for the benefit of the purchasers and holders of the licensee's outstanding money transmission obligations, are deemed held in trust for the benefit of such purchasers and holders on a pro rata and equitable basis in accordance with statutes pursuant to which permissible investments are required to be held in this State, and other states, as applicable. Any statutory trust established hereunder shall be terminated upon extinguishment of all of the licensee's outstanding money transmission obligations.

(f) The Commissioner by rule or order may allow other types of investments that the Commissioner determines are of sufficient liquidity and quality to be a permissible investment. The Commissioner is authorized to participate in efforts with other state regulators to determine that other types of investments are of sufficient liquidity and quality to be a permissible investment.

§ 2543. TYPES OF PERMISSIBLE INVESTMENTS

(a) The following investments are permissible under section 2542 of this subchapter:

(1) cash, including demand deposits, savings deposits, and funds in such accounts held for the benefit of the licensee's customers in an entity identified as exempt under subdivision 2504(7) of this chapter, and cash equivalents, including ACH items in transit to the licensee and ACH items or international wires in transit to a payee, cash in transit via armored car, cash in smart safes, cash in licensee-owned locations, debit card or credit card-funded transmission receivables owed by any bank, or money market mutual funds rated "AAA" by S&P or the equivalent from any eligible rating service;

(2) certificates of deposit or senior debt obligations of an insured depository institution, as defined in the Federal Deposit Insurance Act, 12 U.S.C. § 1813(c), as may be amended, or as defined under the federal Credit Union Act, 12 U.S.C. § 1781, as may be amended;

(3) an obligation of the United States or a commission, department, agency, or instrumentality thereof; an obligation that is guaranteed fully as to principal and interest by the United States; or an obligation of a state or a governmental subdivision, agency, or instrumentality thereof;

(4) the full drawable amount of an irrevocable standby letter of credit for which the stated beneficiary is the Commissioner that stipulates that the beneficiary need only draw a sight draft under the letter of credit and present it to obtain funds up to the letter of credit amount within seven days of presentation of the items required by subdivision (a)(4)(C) of this section.

(A) The letter of credit shall:

(i) be issued by a financial institution as defined in subdivision 11101(32) of this title with federally insured deposits, a credit union with federally insured deposits, a foreign bank that is authorized under federal law to maintain a federal agency or federal branch office in a state or states, or a foreign bank that is authorized under state law to maintain a branch in a state that:

(I) bears an eligible rating or whose parent company bears an eligible rating; and

(II) is regulated, supervised, and examined by federal or state authorities having regulatory authority over banks, credit unions, and trust companies;

(ii) be irrevocable, unconditional, and indicate that it is not subject to any condition or qualifications outside of the letter of credit;

(iii) not contain reference to any other agreements, documents, or entities, or otherwise provide for any security interest in the licensee; and

(iv) contain an issue date and expiration date, and expressly provide for automatic extension, without a written amendment, for an additional period of one year from the present or each future expiration date, unless the issuer of the letter of credit notifies the Commissioner in writing by certified or registered mail or courier mail or other receipted means, at least 60 days prior to any expiration date, that the irrevocable letter of credit will not be extended.

(B) In the event of any notice of expiration or non-extension of a letter of credit issued under subdivision (a)(4)(A) of this section, the licensee shall be required to demonstrate to the satisfaction of the Commissioner, 15 days prior to expiration, that the licensee maintains and will maintain permissible investments in accordance with subsection 2542(a) of this subchapter upon the expiration of the letter of credit. If the licensee is not able

to do so, the Commissioner may draw on the letter of credit in an amount up to the amount necessary to meet the licensee's requirements to maintain permissible investments in accordance with subsection 2542(a) of this subchapter. Any such draw shall be offset against the licensee's outstanding money transmission obligations. The drawn funds shall be held in trust by the Commissioner or the Commissioner's designated agent, to the extent authorized by law, as agent for the benefit of the purchasers and holders of the licensee's outstanding money transmission obligations.

(C) The letter of credit shall provide that the issuer of the letter of credit will honor, at sight, a presentation made by the beneficiary to the issuer of the following documents on or prior to the expiration date of the letter of credit:

(i) the original letter of credit, including any amendments; and

(ii) a written statement from the beneficiary stating that any of the following events have occurred:

(I) the filing of a petition by or against the licensee under the U.S. Bankruptcy Code, 11 U.S.C. §§ 101–110, as may be amended, for bankruptcy or reorganization;

(II) the filing of a petition by or against the licensee for receivership or the commencement of any other judicial or administrative proceeding for its dissolution or reorganization;

(III) the seizure of assets of a licensee by a Commissioner pursuant to an emergency order issued in accordance with applicable law on the basis of an action, a violation, or a condition that has caused or is likely to cause the insolvency of the licensee; or

(IV) the beneficiary has received notice of expiration or non-extension of a letter of credit and the licensee failed to demonstrate to the satisfaction of the beneficiary that the licensee will maintain permissible investments in accordance with subsection 2542(a) of this subchapter upon the expiration or non-extension of the letter of credit.

(D) The Commissioner may designate an agent to serve on the Commissioner's behalf as beneficiary to a letter of credit provided the agent and letter of credit meet requirements established by the Commissioner. The Commissioner's agent may serve as agent for multiple licensing authorities for a single irrevocable letter of credit if the proceeds of the drawable amount for the purposes of subdivision (a)(4) of this section are assigned to the Commissioner.

(E) The Commissioner is authorized and encouraged to participate in multistate processes designed to facilitate the issuance and administration of letters of credit, including but not limited to services provided by the NMLS and State Regulatory Registry, LLC.

(5) One hundred percent of the surety bond or deposit provided for under section 2541 of this subchapter that exceeds the average daily money transmission liability in this state.

(b) Unless permitted by the Commissioner by rule or order to exceed the limit as set forth in this subchapter, the following investments are permissible under subdivision 2542(a) of this subchapter to the extent specified:

(1) receivables that are payable to a licensee from its authorized delegates in the ordinary course of business that are less than seven days old, up to 50 percent of the aggregate value of the licensee's total permissible investments;

(2) of the receivables permissible under subdivision (b)(1) of this section, receivables that are payable to a licensee from a single authorized delegate in the ordinary course of business may not exceed 10 percent of the aggregate value of the licensee's total permissible investments.

(3) the following investments are permissible up to 20 percent per category and combined up to 50 percent of the aggregate value of the licensee's total permissible investments:

(A) a short-term investment of up to six months bearing an eligible rating;

(B) commercial paper bearing an eligible rating;

(C) a bill, note, bond, or debenture bearing an eligible rating;

(D) U.S. tri-party repurchase agreements collateralized at 100 percent or more with U.S. government or agency securities, municipal bonds, or other securities bearing an eligible rating;

(E) money market mutual funds rated less than "AAA" and equal to or higher than "A-" by S&P or the equivalent from any other eligible rating service; and

(F) a mutual fund or other investment fund composed solely and exclusively of one or more permissible investments listed in subdivisions (a)(1)–(3) of this section.

(4) cash, including demand deposits, savings deposits, and funds in such accounts held for the benefit of the licensee's customers, at foreign depository institutions are permissible up to 10 percent of the aggregate value of the

licensee's total permissible investments if the licensee has received a satisfactory rating in its most recent examination and the foreign depository institution:

- (A) has an eligible rating;
- (B) is registered under the Foreign Account Tax Compliance Act;
- (C) is not located in any country subject to sanctions from the Office of Foreign Asset Control; and
- (D) is not located in a high-risk or non-cooperative jurisdiction as designated by the Financial Action Task Force.

Subchapter 7. Requirements for Money Servicers

§ 2545. CHANGE OF LOCATION

(a) A licensee shall notify the Commissioner in writing within 30 days following any change in locations in this State where the licensee or an authorized delegate of the licensee provides money services, including limited stations and mobile locations.

(b) The notice required in subsection (a) of this section shall state the name and street address of each location removed or added to the licensee's list.

(c) Licensees shall submit with the notice required in subsection (a) of this section a nonrefundable fee of \$25.00 for each new authorized delegate location and for each change in location for an authorized delegate. There is no fee to remove locations of authorized delegates.

§ 2546. RECORDS

(a) In addition to the records required to be maintained by section 2119 of this title and any other records the Commissioner requires pursuant to this chapter or rule, a licensee shall maintain the following records for at least five years for determining the licensee's compliance with this chapter:

- (1) a general ledger posted at least monthly containing all asset, liability, capital, income, and expense accounts;
- (2) bank statements and bank reconciliation records; and
- (3) if the licensee is a money transmitter:
 - (A) a record of each outstanding money transmission obligation sold;
 - (B) records of outstanding money transmission obligations;
 - (C) records of each outstanding money transmission obligation paid within the five-year period; and

(D) a list of the last known names and addresses of all of the licensee's authorized delegates.

(b) The records specified in subsection (a) of this section shall be maintained in any form permitted in subsection 11301(c) of this title.

(c) Records specified in subsection (a) of this section may be maintained outside this State if they are made accessible to the Commissioner on seven business-days' notice.

Sec. 45. 8 V.S.A. § 2555 is amended to read:

§ 2555. CONSERVATION, LIQUIDATION, AND INSOLVENCY

To the extent applicable, the provisions of subchapters 2, 3, and ~~5~~ 4 of chapter 209 of this title, excluding sections 19207, 19208, 19210, 19306, and 19307 of this title, shall apply to the conservation, liquidation, and insolvency of any licensee under this chapter. Such licensee shall be treated as a financial institution for the purposes of application of those subchapters. If an impaired or insolvent licensee is or becomes a debtor in bankruptcy or the subject of a bankruptcy proceeding under federal law, the Commissioner shall be relieved of any obligation otherwise imposed under this section and subchapters 2, 3, and ~~5~~ 4 of chapter 209 of this title, and shall relinquish control of the assets and estate of such debtor to the duly appointed trustee in bankruptcy or the debtor in possession, as the case may be.

Sec. 46. REPEAL

8 V.S.A. chapter 79, subchapter 9 (Nationwide Licensing System) is repealed.

Sec. 47. 8 V.S.A. chapter 79, subchapter 9 is added to read:

Subchapter 9. Timely Transmission, Refunds, and Disclosures by Money Transmitters

§ 2560. TIMELY TRANSMISSION

(a) Every licensee shall forward all money received for transmission in accordance with the terms of the agreement between the licensee and the sender unless the licensee has a reasonable belief or a reasonable basis to believe that the sender may be a victim of fraud or that a crime or violation of law, rule, or regulation has occurred, is occurring, or may occur.

(b) If a licensee fails to forward money received for transmission in accordance with this section, the licensee must respond promptly to inquiries by the sender with the reason for the failure unless providing a response would violate a state or federal law, rule, or regulation.

§ 2561. REFUNDS

(a) This section does not apply to:

(1) money received for transmission subject to the federal Remittance Rule, 12 C.F.R. Part 1005, subpart B, as may be amended; or

(2) money received for transmission pursuant to a written agreement between the licensee and payee to process payments for goods or services provided by the payee.

(b) Every licensee shall refund to the sender within 10 days of receipt of the sender's written request for a refund of any and all money received for transmission unless any of the following occurs:

(1) The money has been forwarded within 10 days following the date on which the money was received for transmission.

(2) Instructions have been given committing an equivalent amount of money to the person designated by the sender within 10 days following the date on which the money was received for transmission.

(3) The agreement between the licensee and the sender instructs the licensee to forward the money at a time that is beyond 10 days following the date on which the money was received for transmission. If funds have not yet been forwarded in accordance with the terms of the agreement between the licensee and the sender, the licensee shall issue a refund in accordance with the other provisions of this section.

(4) The refund is requested for a transaction that the licensee has not completed based on a reasonable belief or a reasonable basis to believe that a crime or violation of law, rule, or regulation has occurred, is occurring, or may occur.

(5) The refund request does not enable the licensee to:

(A) identify the sender's name and address or telephone number; or

(B) identify the particular transaction to be refunded in the event the sender has multiple transactions outstanding.

§ 2562. RECEIPTS

(a) This section does not apply to:

(1) money received for transmission subject to the federal Remittance Rule, 12 C.F.R. Part 1005, subpart B, as may be amended;

(2) money received for transmission that is not primarily for personal, family, or household purposes;

(3) money received for transmission pursuant to a written agreement between the licensee and payee to process payments for goods or services provided by the payee; or

(4) payroll processing services.

(b) As used in this section and sections 2507 and 2574 of this chapter, "receipt" means a paper receipt, electronic record, or other written confirmation. For a transaction conducted in person, the receipt may be provided electronically if the sender requests or agrees to receive an electronic receipt. For a transaction conducted electronically or by phone, a receipt may be provided electronically. All electronic receipts shall be provided in a retainable form.

(c) Every licensee or its authorized delegate shall provide the sender a receipt for money received for transmission.

(1) The receipt shall contain the following information, as applicable:

(A) the name of the sender;

(B) the name of the designated recipient;

(C) the date of the transaction;

(D) the unique transaction or identification number;

(E) the name of the licensee, NMLS Unique ID, the licensee's business address, and the licensee's customer service telephone number;

(F) the amount of the transaction in U.S. dollars;

(G) for transactions that involve money sent in a different currency from the money received:

(i) if the rate of exchange is fixed by the licensee at the time the transmission is initiated, the receipt shall disclose the rate of exchange for the transaction, and the duration, if any, for the payment to be made at the fixed rate of exchange so specified;

(ii) if the rate of exchange is not fixed at the time the transmission is initiated, the receipt shall disclose that the rate of exchange for the transaction will be set at the time the money is received;

(H) any fee charged by the licensee to the sender for the transaction;

and

(I) any taxes collected by the licensee from the sender for the transaction.

(2) The receipt required by this section shall be in English and in the language principally used by the licensee or authorized delegate to advertise, solicit, or negotiate, either orally or in writing, for a transaction conducted in person, electronically, or by phone, if other than English.

§ 2563. NOTICE

Every licensee or authorized delegate shall disclose on their website and mobile application the name of the Department and a current link to the Vermont Banking Consumer Complaint Form accompanied by statements conveying that, should the licensee's customers have a complaint about the licensee's money transmission services they should first contact the licensee using contact information supplied by the licensee and, if the complaint remains unresolved, they can submit a complaint to the Department using the form.

§ 2564. DISCLOSURE FOR PAYROLL PROCESSING SERVICES

(a) A licensee that provides payroll processing services shall:

(1) issue reports to clients detailing client payroll obligations in advance of the payroll funds being deducted from an account; and

(2) make available worker paystubs or an equivalent statement to workers.

(b) This section shall not apply to a licensee providing payroll processing services where the licensee's client designates the intended recipients to the licensee and is responsible for providing the disclosures required by subdivision (a)(2) of this section.

Sec. 48. 8 V.S.A. chapter 79, subchapter 10 is added to read:

Subchapter 10. Virtual Currency

§ 2571. DEFINITIONS

As used in this subchapter:

(1) "Exchange," used as a verb, means to assume or exercise control of virtual currency from or on behalf of a person, including momentarily, to buy, sell, trade, or convert:

(A) virtual currency for money, monetary value, bank credit, or one or more forms of virtual currency, or other consideration; or

(B) money, monetary value, bank credit, or other consideration for one or more forms of virtual currency.

(2) "Transfer" means to assume or exercise control of virtual currency from or on behalf of a person and to:

(A) credit the virtual currency to the account or digital wallet of another person;

(B) move the virtual currency from one account or digital wallet of a person to another account or digital wallet of the same person; or

(C) relinquish or transfer control or ownership of virtual currency to another person, digital wallet, distributed ledger address, or smart contract.

§ 2572. EXEMPTIONS

(a) This subchapter shall not apply to the exchange or transfer of virtual currency, or to virtual-currency storage or virtual-currency administration, by a person to the extent that the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a–78oo, as may be amended, or the Commodities Exchange Act of 1936, 7 U.S.C. §§ 1–27f, as may be amended, govern such activity and the person is conducting such activity in compliance with all applicable requirements of such laws and any regulations promulgated thereunder.

(b) This subchapter shall not apply to activity by:

(1) a person that:

(A) provides only data storage or security services for a business engaged in virtual-currency business activity and does not otherwise engage in virtual-currency business activity on behalf of another person; or

(B) provides only to a person otherwise exempt from this chapter virtual currency as one or more enterprise solutions used solely among each other and has no agreement or relationship with a person that is an end-user of virtual currency;

(2) a person using virtual currency, including creating, investing, buying or selling, or obtaining virtual currency as payment for the purchase or sale of goods or services, solely on its own behalf for personal, family, or household purposes or for academic purposes;

(3) a person whose virtual-currency business activity with or on behalf of persons is reasonably expected to be valued, in the aggregate, on an annual basis at \$5,000.00 or less, measured by the U.S. dollar equivalent of virtual currency;

(4) a securities intermediary, as defined in 9A V.S.A. § 8-102, or a commodity intermediary, as defined in 9A V.S.A. § 9-102, that:

(A) does not engage in the ordinary course of business in virtual-currency business activity with or on behalf of a person in addition to maintaining securities accounts or commodities accounts and is regulated as a securities intermediary or commodity intermediary under federal law, law of this State other than this chapter, or law of another state; and

(B) affords a person protections comparable to those set forth in section 2574 of this subchapter;

(5) a person that is engaged in testing products or services with the person's own funds.

(c) The Commissioner may determine that other persons or classes of persons, given facts particular to the person or class, are exempt from this chapter, when the person or class is covered by requirements imposed under federal law on business engaged in money services and the Commissioner determines that no additional requirements are necessary to ensure the protection of the public.

§ 2573. CONDITIONS PRECEDENT TO ENGAGING IN VIRTUAL-CURRENCY BUSINESS ACTIVITY

(a) A person shall not engage in virtual-currency business activity, or hold itself out as being able to engage in virtual-currency business activity, with or on behalf of another person unless the person is:

(1) licensed under subchapter 2 of this chapter to engage in virtual-currency business activity;

(2) an authorized delegate of a person licensed under subchapter 2 of this chapter to engage in virtual-currency business activity if such money services are within the scope of authority conferred by a written contract between the authorized delegate and the licensee;

(3) exempt pursuant to section 2572 of this subchapter and engages in no licensable activity outside the scope of such exemption; or

(4) exempt pursuant to section 2504 of this chapter and does not engage in money services outside the scope of such exemption.

(b) A person that engages in virtual-currency business activity is engaged in the business of money transmission.

(c) It is prohibited for a person to facilitate the provision of unlicensed virtual-currency business activity by another person that is required to be licensed under this subchapter, when the first person or the first person's authorized agent receives notice from a regulatory, law enforcement, or similar governmental authority, or knows from its normal monitoring and compliance systems, or consciously avoids knowing that the unlicensed person is in violation of this chapter.

(d) All provisions of this chapter, and any rule adopted under this chapter, that apply to a person licensed under subchapter 2 of this chapter to engage in virtual-currency business activity shall apply equally to any person required to

hold a license pursuant to subsection (a) of this section that does not hold one. Nothing herein shall be interpreted to permit any such unlicensed person to engage in virtual-currency business activity or hold itself out as being able to engage in any virtual-currency business activity without a license.

§ 2574. REQUIRED DISCLOSURES

(a) A person licensed under subchapter 2 of this chapter to engage in virtual-currency business activity shall provide the disclosures required by this section and any additional disclosure the Commissioner determines reasonably necessary for the protection of the public.

(1) A disclosure required by this section must be made separately from any other information provided by the licensee and in a clear and conspicuous manner in a record the person may keep.

(2) The Commissioner may waive one or more requirements in subsections (b)–(d) of this section and approve alternative disclosures proposed by a licensee if the Commissioner determines that the alternative disclosure is more appropriate for the virtual-currency business activity and provides the same or equivalent information and protection to the public.

(b) Before engaging in virtual-currency business activity with a person, a licensee shall disclose, to the extent applicable to the virtual-currency business activity the licensee will undertake with the person:

(1) a schedule of fees and charges the licensee may assess, the manner by which fees and charges will be calculated if they are not set in advance and disclosed, and the timing of the fees and charges, including general disclosure regarding mark-ups and mark-downs on purchases, sales, or exchanges of virtual currency in which the licensee or any affiliate thereof is acting in a principal capacity;

(2) whether the product or service provided by the licensee is covered by:

(A) a form of insurance or is otherwise guaranteed against loss by an agency of the United States:

(i) up to the full U.S. dollar equivalent of virtual currency purchased from the licensee or for control of virtual currency by the licensee as of the date of the placement or purchase, including the maximum amount provided by insurance under the Federal Deposit Insurance Corporation or otherwise available from the Securities Investor Protection Corporation; or

(ii) if not provided at the full U.S. dollar equivalent of virtual currency purchased from the licensee or for control of virtual currency by the licensee, the maximum amount of coverage for each person expressed in the U.S. dollar equivalent of the virtual currency; or

(B) private insurance against theft or loss, including cyber theft or theft by other means;

(3) the irrevocability of a transfer or exchange and any exception to irrevocability;

(4) a description of:

(A) liability for an unauthorized, mistaken, or accidental transfer or exchange;

(B) the person's responsibility to provide notice to the licensee of the transfer or exchange;

(C) the basis for any recovery by the person from the licensee;

(D) general error-resolution rights applicable to the transfer or exchange; and

(E) the method for the person to update the person's contact information with the licensee;

(5) that the date or time when the transfer or exchange is made and the person's account is debited may differ from the date or time when the person initiates the instruction to make the transfer or exchange;

(6) whether the person has a right to stop a preauthorized payment or revoke authorization for a transfer and the procedure to initiate a stop-payment order or revoke authorization for a subsequent transfer;

(7) the person's right to receive a receipt, trade ticket, or other evidence of the transfer or exchange;

(8) the person's right to at least 30 days' prior notice of a change in the licensee's fee schedule, other terms and conditions of operating its virtual-currency business activity with the person, and the policies applicable to the person's account; and

(9) that virtual currency is not money.

(c) In connection with any virtual-currency transaction effected through a money transmission kiosk in this State, or in any transaction where the licensee or any affiliate thereof is acting in a principal capacity in a sale of virtual currency to, or purchase of virtual currency from, a customer, then immediately prior to effecting such a purchase or sale transaction with or on behalf of a customer, a licensee shall prominently disclose and require the customer to acknowledge and confirm:

(1) the type, value, date, precise time, and amount of the transaction; and

(2) the consideration charged for the transaction, including:

(A) any charge, fee, commission, or other consideration for any trade, exchange, conversion, or transfer involving virtual currency; and

(B) any difference between the price paid by the customer for any virtual currency and the prevailing market price of such virtual currency, if any.

(d) Except as otherwise provided in subsection (e) of this section, at the conclusion of a virtual-currency transaction with or on behalf of a person, a licensee shall provide the person with a receipt that contains:

(1) the name and contact information of the licensee, including information the person may need to ask a question or file a complaint;

(2) the type, value, date, precise time, and amount of the transaction;

(3) the consideration charged for the transaction, including:

(A) any charge, fee, commission, or other consideration for any trade, exchange, conversion, or transfer involving virtual currency; or

(B) the amount of any difference between the price paid by the customer for any virtual currency and the prevailing market price of such virtual currency, if any; and

(4) any other information required pursuant to section 2562 of this title.

(e) If a licensee discloses that it will provide a daily confirmation in the initial disclosure under subsection (c) of this section, the licensee may elect to provide a single, daily confirmation for all transactions with or on behalf of a person on that day instead of a per-transaction confirmation.

§ 2575. PROPERTY INTERESTS AND ENTITLEMENTS TO VIRTUAL CURRENCY

(a) A person licensed under subchapter 2 of this chapter to engage in virtual-currency business activity that has control of virtual currency or provides virtual-currency storage to, for, or on behalf of one or more persons shall maintain custody and control of virtual currency in an identical type and amount of virtual currency sufficient to satisfy the aggregate entitlements of such persons to such identical types and amounts of virtual currency.

(b) For the purposes of subsection (a) of this section, units of virtual currency are only of an identical type and amount if such units are fungible in all respects, including having the same issuer and being identical in amount, market capitalization, circulating supply, name, U.S. dollar equivalent of virtual currency, liquidity, use, rights, restrictions, functionality, permissions, and any other material attribute.

(c) If a licensee violates section subsection (a) of this section, the property interests of the persons in the virtual currency are pro rata property interests in the type of virtual currency to which the persons are entitled, without regard to the time the persons became entitled to the virtual currency or the licensee obtained control of the virtual currency.

(d) The virtual currency referred to in this section is and shall be:

(1) held for the persons entitled to the virtual currency;

(2) not property of the licensee or any person required to be licensed under this chapter;

(3) not subject to any claims, liens, or encumbrances of creditors of the licensee or any person required to be licensed under this chapter; and

(4) deemed to be a permissible investment under this chapter to the extent that there is an outstanding money transmission obligation owed to a customer in such type and amount of virtual currency.

(e) A person licensed under subchapter 2 of this chapter to engage in virtual-currency business activity is prohibited from selling, transferring, assigning, lending, hypothecating, pledging, or otherwise using or encumbering virtual currency stored, held, controlled, or maintained by, or under the custody or control of, such licensee on behalf of another person except for the sale, transfer of ownership, or assignment of such assets at the direction of such other person.

(f) A person licensed under subchapter 2 of this chapter to engage in virtual-currency business activity shall not directly or indirectly use or engage any other person, including any virtual-currency control-services vendor, to store or hold custody or control of any virtual currency for or on behalf of any customer in this State, unless such other person is licensed under subchapter 2 of this chapter to engage in virtual-currency business activity, a financial institution or credit union that is exempt from licensing under section 2504(7) of this chapter, or a qualified custodian approved by the Commissioner by rule or order to hold virtual currency on behalf of customers in this State.

(g) Virtual currency held in violation of subsection (f) of this section shall not be deemed to be a permissible investment for purposes of satisfying a licensee's obligations under section 2542(a) of this chapter, but shall be deemed to be a permissible investment for purposes of section 2542(c)–(e) of this chapter.

(h) The Commissioner may by rule or order adopt additional consumer protections concerning virtual currency, including:

(1) rules regarding the segregation of virtual currencies and accounts held for or on behalf of customers from a licensee's own virtual currencies and assets;

(2) rules related to the custody, storage, security, ownership of, and title to permissible investments and customer virtual currencies and assets;

(3) rules related to the use of virtual-currency control service vendors or other custodians to hold custody or control of virtual currency;

(4) rules related to audit requirements for customer assets;

(5) rules setting standards, limits, prohibitions, disclosure requirements, and procedures regarding the types of virtual currencies and related services, activities, and transactions that licensees may offer in this State as may be necessary or appropriate for the protection of consumers or compliance with the terms of this chapter;

(6) rules requiring compliance with specific provisions of the Uniform Commercial Code; and

(7) any rules as may be necessary or appropriate for the protection of consumers or necessary or appropriate to effectuate the purposes of this chapter.

§ 2576. ADDITIONAL REQUIREMENTS AND CLARIFICATIONS FOR VIRTUAL-CURRENCY BUSINESS ACTIVITIES

(a) To ensure adequate consumer protection, the Commissioner may adopt by rule provisions that specify limitations to and the method by which a person licensed under subchapter 2 of this chapter to engage in virtual-currency business activity may include virtual currency and virtual currency-denominated assets in the calculation of its net worth pursuant to section 2540 of this chapter.

(b) In addition to the records required to be maintained by sections 2119 and 2546 of this title and any other records the Commissioner requires pursuant to this chapter or rule, a person licensed under subchapter 2 of this chapter to engage in virtual-currency business activity shall maintain, for all virtual-currency business activity with or on behalf of a person, for at least five years after the date of the activity, a record of:

(1) each transaction of the licensee with or on behalf of the person or for the licensee's account in this state, including:

(A) the identity of the person;

(B) the form of the transaction;

(C) the amount, date, and payment instructions given by the person; and

(D) the account number, name, and U.S. Postal Service address of the person, and, to the extent feasible, other parties to the transaction;

(2) the aggregate number of transactions and aggregate value of transactions by the licensee with or on behalf of the person and for the licensee's account in this State, expressed in U.S. dollar equivalent of virtual currency for the previous 12 calendar months;

(3) each transaction in which the licensee exchanges one form of virtual currency for money or another form of virtual currency with or on behalf of the person;

(4) a general ledger posted at least monthly that lists all assets, liabilities, capital, income, and expenses of the licensee;

(5) each business-call report the licensee is required to create or provide to the Department or NMLS;

(6) bank statements and bank reconciliation records for the licensee and the name, account number, and U.S. Postal Service address of each bank the licensee uses in the conduct of its virtual-currency business activity with or on behalf of the person;

(7) a report of any dispute with the person; and

(8) a report of any virtual-currency business activity transaction with or on behalf of a person which the licensee was unable to complete.

(c) It is unlawful for a person licensed under subchapter 2 of this chapter to engage in virtual-currency business activity, or any other person, in connection with the offer to sell, the offer to purchase, the sale, the purchase of a virtual currency, or in connection with any virtual-currency business activity or transaction in virtual currency, directly or indirectly:

(1) to employ a device, scheme, or artifice to defraud;

(2) to make an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

(3) to engage in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

(d) Persons licensed under subchapter 2 of this chapter to engage in virtual-currency business activity shall comply at all times with all applicable federal and state laws, rules, and regulations, including the following laws, as may be

amended: the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a–78oo, the Commodities Exchange Act of 1936, 7 U.S.C. §§ 1–27f, and the Vermont Securities Act, 9 V.S.A. chapter 150.

§ 2577. VIRTUAL CURRENCY KIOSK OPERATORS

(a) A virtual-currency kiosk operator shall not accept or dispense more than \$1,000.00 of cash in a day in connection with virtual currency transactions with a single customer in this State via one or more money transmission kiosks.

(b) The aggregate fees and charges, directly or indirectly, charged to a customer related to a single transaction or series of related transactions involving virtual currency effected through a money transmission kiosk in this State, including any difference between the price charged to a customer to buy, sell, exchange, swap, or convert virtual currency and the prevailing market value of such virtual currency at the time of such transaction, shall not exceed the greater of the following:

(1) \$5.00; or

(2) 15 percent of the U.S. dollar equivalent of virtual currency involved in the transaction or transactions.

(c) The purchase, sale, exchange, swap, or conversion of virtual currency, or the subsequent transfer of virtual currency, in a series of transactions shall be deemed to be a single transaction for purposes of subsection (b) of this section.

(d) A virtual-currency kiosk operator shall comply with the licensing requirements of this subchapter to the extent that the virtual-currency kiosk operator engages in virtual-currency business activity.

(e) If a virtual-currency kiosk operator allows or facilitates another person to engage in virtual-currency business activity via a money transmission kiosk in this State that is owned, operated, or managed by the virtual-currency kiosk operator, the virtual-currency kiosk operator shall do all of the following:

(1) ensure that the person engaging in virtual-currency business activity is licensed under subchapter 2 of this chapter to engage in virtual-currency business activity and complies with all other applicable provisions of this chapter;

(2) ensure that any charges collected from a customer via the money transmission kiosk comply with the limits provided by subsection (b) of this section; and

(3) comply with all other applicable provisions of this chapter.

* * * Automated Teller Machines * * *

Sec. 49. 8 V.S.A. § 10302 is amended to read:

§ 10302. AUTOMATED TELLER MACHINES

(a) ~~The owner of an automated teller machine or other remote service unit, including a cash dispensing machine, located or employed to be located in this State shall prominently and conspicuously disclose on or at the location of each such machine or on the first screen of each such machine the identity, address, and telephone number of the owner and the availability of consumer assistance. The owner shall also disclose on the screen of such machine or on a paper notice issued from the machine the amount of the fees or charges that the owner will assess to the consumer for the use of that machine. The amount of the fees or charges shall be disclosed before the consumer is irrevocably committed to completing the transaction. The Commissioner shall approve the form, content, timing, and location of such disclosures and any amendments prior to use. The Commissioner shall act on any submission made under this section within 30 days after receipt. If the Commissioner determines that any disclosures do not provide adequate consumer protection, the Commissioner may by order or by rule specify minimum disclosure standards, including the form, content, timing, and location of such disclosures. The Commissioner may impose on the owner of an automated teller machine or other remote service unit an administrative penalty of not more than \$1,000.00 for each day's failure of the owner to apply to the Commissioner for approval of disclosures required under this section, for each day's failure of the owner to use disclosures approved by the Commissioner, or for each day's continuing violation of an order of the Commissioner relating to the disclosures required by this section.~~

~~(b) The owner of an automated teller machine or other remote service unit, including a cash dispensing machine, located or employed in this State shall notify the Commissioner of the location of each terminal at least 30 days prior to the activation of such terminal. The owner shall notify the Commissioner of the deactivation of any terminal within 30 days after the deactivation of such terminal., using a form prescribed by the Commissioner:~~

(1) provide the ownership and location of each machine or unit at least 30 days prior to the activation of the machine or unit;

(2) obtain Commissioner approval of the form, content, timing, and location of all disclosures required by subsection (b) of this section prior to their use; and

(3) notify the Commissioner of the deactivation of any machine or unit within 30 days after its deactivation.

(b) The owner of an automated teller machine or other remote service unit located or to be located in this State shall disclose prominently and conspicuously, using as high a contrast or resolution as any other display or graphics on the machine or unit, prior to the point at which a consumer using the machine or unit is irrevocably committed to completing any transaction:

(1) on or at the location of each machine or unit, or on the first screen of such machine or unit, the name, address, and telephone number of the owner of the machine or unit and the days, time, and means by which a consumer can contact the owner for consumer assistance; and

(2) on the screen of each machine or unit, the amount of the fees or charges that the owner will assess to the consumer for the transaction, a clear explanation that the fees or charges are imposed by the owner of the machine or unit in connection with the consumer's transaction and are in addition to any fees or charges that may be imposed by the issuer of a consumer's card, and the method by which the consumer may cancel the transaction to avoid imposition of the fees or charges.

(c) The Commissioner shall act on complete applications for approval of disclosures required by subsection (b) of this section within 30 days after receipt. The absence of full ownership and location information for each machine or unit that will use the disclosures will result in return of the application as incomplete.

(d) To ensure adequate consumer protection, the Commissioner may by order or by rule specify additional minimum disclosure standards for automated teller machines or other remote service units, including the form, content, timing, and location of such disclosures.

(e) The Commissioner may impose on the owner of an automated teller machine or other remote service unit an administrative penalty of not more than \$1,000.00 for each day's failure of the owner to apply to the Commissioner for approval of disclosures required under this section, for each day's failure of the owner to use disclosures approved by the Commissioner, or for each day's continuing violation of an order of the Commissioner relating to the disclosures required by this section.

(e)(f) In addition to an automated teller machine or other remote service unit owned by a financial institution or credit union, the provisions of this section shall apply to any automated teller machine or other remote service unit such machine or unit not owned by a financial institution or credit union, except it shall not include a money transmission kiosk governed by chapter 79

of this title or a point-of-sale terminal owned or operated by a merchant who does not charge a fee for the use of the point-of-sale terminal.

(g) The activities of an automated teller machine or other remote service unit whose owner is not a financial institution or credit union shall be limited to cash dispensing or the offer or sale of nonbanking services and products.

* * * Effective Dates * * *

Sec. 50. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that Sec. 28 (pet insurance) shall take effect on July 1, 2025.

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

“An act relating to banking, insurance, and securities.”

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.

Message from the House No. 31

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 534. An act relating to retail theft.

H. 645. An act relating to the expansion of approaches to restorative justice.

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

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

H.C.R. 171. House concurrent resolution congratulating the 2023 Green Mountain Council Class of Eagle Scouts.

H.C.R. 172. House concurrent resolution congratulating Goodridge Lumber Inc. of Albany on its 50th anniversary.

H.C.R. 173. House concurrent resolution in memory of former Castleton State College Dean of Education Honoree Fleming.

H.C.R. 174. House concurrent resolution congratulating the 2023 Spirit of the ADA Award winners.

H.C.R. 175. House concurrent resolution in memory of jazz aficionado Reuben Jackson.

H.C.R. 176. House concurrent resolution congratulating Kristi Lefebvre Huizenga of Colchester on her 2024 induction into the Vermont Sports Hall of Fame.

H.C.R. 177. House concurrent resolution recognizing March as Colorectal Cancer Awareness Month in Vermont.

H.C.R. 178. House concurrent resolution congratulating Lena Delores Baker on her 100th birthday.

H.C.R. 179. House concurrent resolution congratulating the Vermont place winners at the 2023 National Senior Games and designating March 21, 2024 as Vermont Senior Games Day at the State House.

H.C.R. 180. House concurrent resolution recognizing July 2024 as Park and Recreation Month in Vermont and designating July 19, 2024 as Vermont Park and Recreation Professionals Day 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. 11. Senate concurrent resolution congratulating Bag Balm on the company's 125th anniversary.

And has adopted the same in concurrence.

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 Kitchel, Ingalls, Starr and Westman,

By Rep. Pearl,

S.C.R. 11.

Senate concurrent resolution congratulating Bag Balm on the company's 125th anniversary.

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. Morgan and others,

By All Members of the Senate,

H.C.R. 171.

House concurrent resolution congratulating the 2023 Green Mountain Council Class of Eagle Scouts.

By Rep. Sims,

H.C.R. 172.

House concurrent resolution congratulating Goodridge Lumber Inc. of Albany on its 50th anniversary.

By Reps. Sammis and others,

H.C.R. 173.

House concurrent resolution in memory of former Castleton State College Dean of Education Honoree Fleming.

By Rep. Marcotte,

H.C.R. 174.

House concurrent resolution congratulating the 2023 Spirit of the ADA Award winners.

By Reps. Krasnow and others,

H.C.R. 175.

House concurrent resolution in memory of jazz aficionado Reuben Jackson.

By Reps. Austin and others,

By Senator Mazza,

H.C.R. 176.

House concurrent resolution congratulating Kristi Lefebvre Huizenga of Colchester on her 2024 induction into the Vermont Sports Hall of Fame.

By Rep. McCann,

H.C.R. 177.

House concurrent resolution recognizing March as Colorectal Cancer Awareness Month in Vermont.

By Rep. Howard,

H.C.R. 178.

House concurrent resolution congratulating Lena Delores Baker on her 100th birthday.

By Reps. Harrison and others,

H.C.R. 179.

House concurrent resolution congratulating the Vermont place winners at the 2023 National Senior Games and designating March 21, 2024 as Vermont Senior Games Day at the State House.

By Reps. Krasnow and others,

H.C.R. 180.

House concurrent resolution recognizing July 2024 as Park and Recreation Month in Vermont and designating July 19, 2024 as Vermont Park and Recreation Professionals Day in Vermont.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, March 19, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 48.

TUESDAY, MARCH 19, 2024

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.

Rules Suspended; Bill Not Referred to Committee on Finance

S. 213

Appearing on the Calendar for notice, and pending referral of the bill to the Committee on Finance pursuant to Senate Rule 31, Senator Cummings moved that the rules be suspended and Senate bill entitled:

An act relating to the regulation of wetlands, river corridor development, and dam safety.

Not be referred to the Committee on Finance pursuant to Senate Rule 31 (and thereby remain on the Calendar for notice),

Which was agreed to.

Bills Referred to Committee on Finance

Senate bills of the following titles, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule were severally referred to the Committee on Finance:

S. 259. An act relating to climate change cost recovery.

S. 304. An act relating to Vermont's career and technical education programs.

Bills Referred to Committee on Appropriations

Senate 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 severally referred to the Committee on Appropriations:

S. 96. An act relating to privatization contracts.

S. 98. An act relating to Green Mountain Care Board authority over prescription drug costs.

S. 114. An act relating to removal of criminal penalties for possessing, dispensing, or selling psilocybin and establishment of the Psychedelic Therapy Advisory Working Group.

S. 167. An act relating to miscellaneous amendments to education law.

S. 181. An act relating to the Community Media Public Benefit Fund.

S. 195. An act relating to how a defendant's criminal record is considered in imposing conditions of release.

S. 215. An act relating to 3SquaresVT.

S. 231. An act relating to establishing a pilot for community nurse programs serving aging Vermonters.

S. 247. An act relating to repealing the Vermont Employment Growth Incentive (VEGI) Program sunset.

S. 253. An act relating to building energy codes.

S. 312. An act relating to the Salisbury fish hatchery.

Joint Senate Resolution Adopted on the Part of the Senate**J.R.S. 49.**

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. 49. Joint resolution relating to weekend adjournment on March 22, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 22, 2024, it be to meet again no later than Tuesday, March 26, 2024.

Bills Referred

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

H. 534.

An act relating to retail theft.

To the Committee on Judiciary.

H. 645.

An act relating to the expansion of approaches to restorative justice.

To the Committee on Judiciary.

Bills Passed

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

S. 196. An act relating to the types of evidence permitted in weight of the evidence hearings.

S. 206. An act relating to designating Juneteenth as a legal holiday.

Bill Passed in Concurrence with Proposal of Amendment**H. 659.**

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

An act relating to captive insurance.

Bill Amended; Third Reading Ordered**S. 55.**

Senator Hardy, for the Committee on Government Operations, to which was referred Senate bill entitled:

An act relating to authorizing public bodies to meet electronically under Vermont's Open Meeting Law.

Reported recommending that the bill be amended 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 regardless of the form and format of a meeting, whether in-person, remote, or a hybrid fashion, that:

(1) meetings of public bodies be fully accessible to members of the public who would like to attend and participate, as well as to members of those public bodies who have been appointed or elected to serve their communities;

(2) subject to any exceptions in the Open Meeting Law, the deliberations and decisions of public bodies be transparent to members of the public; and

(3) the meetings of public bodies be conducted using standard rules and best practices for both meeting format and method of delivery.

Sec. 2. 1 V.S.A. § 310 is amended to read:

§ 310. DEFINITIONS

As used in this subchapter:

(1) “Advisory body” means a public body that does not have supervision, control, or jurisdiction over legislative, quasi-judicial, tax, or budgetary matters.

(2) “Business of the public body” means the public body's governmental functions, including any matter over which the public body has supervision, control, jurisdiction, or advisory power.

~~(2)~~(3) “Deliberations” means weighing, examining, and discussing the reasons for and against an act or decision, but expressly excludes the taking of evidence and the arguments of parties.

~~(3)~~(4)(A) “Meeting” means a gathering of a quorum of the members of a public body for the purpose of discussing the business of the public body or for the purpose of taking action.

* * *

(4)(5) “Public body” means any board, council, or commission of the State or one or more of its political subdivisions, any board, council, or commission of any agency, authority, or instrumentality of the State or one or more of its political subdivisions, or any committee or subcommittee of any of the foregoing boards, councils, or commissions, except that “public body” does not include councils or similar groups established by the Governor for the sole purpose of advising the Governor with respect to policy.

(5)(6) “Publicly announced” means that notice is given to an editor, publisher, or news director of a newspaper or radio station serving the area of the State in which the public body has jurisdiction, and to any person who has requested under subdivision 312(c)(5) of this title to be notified of special meetings.

(6)(7) “Quasi-judicial proceeding” means a proceeding ~~which~~ that is:

* * *

Sec. 3. 1 V.S.A. § 312 is amended to read:

§ 312. RIGHT TO ATTEND MEETINGS OF PUBLIC AGENCIES

(a)(1) All meetings of a public body are declared to be open to the public at all times, except as provided in section 313 of this title. No resolution, rule, regulation, appointment, or formal action shall be considered binding except as taken or made at such open meeting, except as provided under subdivision 313(a)(2) of this title. A meeting of a public body is subject to the public accommodation requirements of 9 V.S.A. chapter 139. A public body shall electronically record all public hearings held to provide a forum for public comment on a proposed rule, pursuant to 3 V.S.A. § 840. The public shall have access to copies of such electronic recordings as described in section 316 of this title.

(2) Participation in meetings through electronic or other means.

* * *

(D) If a quorum or more of the members of a public body attend a meeting without being physically present at a designated meeting location, the agenda required under subsection (d) of this section shall designate at least one physical location where a member of the public can attend and participate in the meeting. At least one member of the public body, or at least one staff or designee of the public body, shall be physically present at each designated meeting location. The requirements of this subdivision (D) shall not apply to advisory bodies.

(3) Hybrid meeting requirement. Any public body of the State, except advisory bodies and the Human Services Board, shall:

(A) hold all regular and special meetings in a hybrid fashion, which shall include both a designated physical meeting location and a designated electronic meeting platform;

(B) electronically record all meetings; and

(C) for a minimum of 30 days following the approval and posting of the official minutes for a meeting, retain the audiovisual recording and post the recording in a designated electronic location.

(4) Electronic meetings without a physical meeting location. A quorum or more of the members of an advisory body may attend any meeting of the advisory body by electronic or other means without being physically present at or staffing a designated meeting location. A quorum or more of the members of any public body may attend an emergency meeting of the body by electronic or other means without being physically present at or staffing a designated meeting location.

(5) Hybrid and electronic meeting requirements. A public body meeting under subdivision (3) or (4) of this subsection shall use a designated electronic platform that allows the direct access, attendance, and participation of the public, including access by telephone. The public body shall post information that enables the public to directly access the designated electronic platform and include this information in the published agenda or public notice for the meeting.

(6) Meetings of local public bodies; recordings. To the extent feasible, any public body of a municipality or political subdivision, except advisory bodies, shall:

(A) record, in audio or video form, any meeting of the public body; and

(B) post and retain a copy of the recording according to subdivision (3)(C) of this subsection (a).

* * *

(j) Request for access. A resident of the geographic area in which the public body has jurisdiction, a member of a public body, or a member of the press may request that a public body designate a physical meeting location or provide electronic or telephonic access to a regular meeting or series of regular meetings. The request shall be made in writing not less than three business days before the date of the meeting. The public body shall not require the requestor to provide a basis for the request. The public body shall grant the request unless providing the requested form of access is infeasible due to a declared state of emergency or a local incident pursuant to section 312a of this

subchapter. This subsection (j) shall not apply to special meetings, emergency meetings, or field visits.

(k) Annually, the following officers shall participate in a professional training that addresses the procedures and requirements of this subchapter:

(1) for municipalities and political subdivisions, the chair of the legislative body, town manager, and mayor; and

(2) for the State, the chair of any public body that is not an advisory body.

Sec. 4. 1 V.S.A. § 312a is amended to read:

§ 312a. MEETINGS OF PUBLIC BODIES; STATE OF EMERGENCY

(a) As used in this section:

(1) “Affected public body” means a public body:

(A) whose regular meeting location is located in an area affected by a hazard or local incident; and

(B) that cannot meet in a designated physical meeting location due to a declared state of emergency pursuant to 20 V.S.A. chapter 1 or local incident.

(2) “Directly impedes” means interferes or obstructs in a manner that makes it infeasible for a public body to meet either at a designated physical location or through electronic means.

(3) “Hazard” means an “all-hazards” as defined in 20 V.S.A. § 2(1).

(4) “Local incident” means a weather event, public health emergency, public safety threat, loss of power or telecommunication services, or similar event that directly impedes the ability of a public body to hold a meeting electronically or in a designated physical location.

(b) Notwithstanding subdivisions 312(a)(2)(D), ~~(a)(3)~~, and (c)(2) of this title, during a local incident or declared state of emergency under 20 V.S.A. chapter 1:

(1) A quorum or more of an affected public body may attend a regular, special, or emergency meeting by electronic or other means without designating a physical meeting location where the public may attend.

(2) The members and staff of an affected public body shall not be required to be physically present at a designated meeting location.

(3) An affected public body of a municipality may post any meeting agenda or notice of a special meeting in two publicly accessible designated electronic locations in lieu of the two designated public places in the

municipality, or in a combination of a designated electronic location and a designated public place.

(c) Before a public body may meet under the authority provided in this section for meetings held during a local incident, the highest ranking elected or appointed officer of the public body shall make a formal written finding and announcement of the local incident, including the basis for the finding.

(d) Notwithstanding subdivision 312(a)(3) of this title, during a local incident that impedes an affected public body's ability to hold a meeting by electronic means, the affected public body may hold a meeting exclusively at a designated physical meeting location.

(e) When an affected public body meets electronically under subsection (b) of this section, the affected public body shall:

(1) use technology that permits the attendance and participation of the public through electronic or other means;

(2) allow the public to access the meeting by telephone; and

(3) post information that enables the public to directly access and participate in meetings electronically and shall include this information in the published agenda for each meeting; and

(4) if applicable, publicly announce and post a notice that the meeting will not be held in a hybrid fashion and will be held either in a designated physical meeting location or through electronic means.

~~(d)~~(f) Unless unusual circumstances make it impossible for them to do so, the legislative body of each municipality and each school board shall record any meetings held pursuant to this section.

~~(e)~~(g) An affected public body of a municipality shall continue to post notices and agendas in or near the municipal clerk's office pursuant to subdivision 312(c)(2) of this title and shall provide a copy of each notice or agenda to the newspapers of general circulation for the municipality.

Sec. 5. 1 V.S.A. § 314 is amended to read:

§ 314. PENALTY AND ENFORCEMENT

* * *

(e) A municipality shall post on its website, if it maintains one:

(1) an explanation of the procedures for submitting notice of an Open Meeting Law violation to the public body or the Attorney General; and

(2) a copy of the text of this section.

Sec. 6. 17 V.S.A. § 2640 is amended to read:

§ 2640. ANNUAL MEETINGS

* * *

(b)(1) When a town so votes, it may thereafter start its annual meeting on any of the three days immediately preceding the first Tuesday in March at such time as it elects and may transact at that time any business not involving voting by Australian ballot or voting required by law to be by ballot and to be held on the first Tuesday in March. A meeting so started shall be adjourned until the first Tuesday in March.

(2) An informational meeting held in the three days preceding the first Tuesday in March pursuant to this subsection shall be video recorded and a copy of the recording shall be posted in a designated electronic location until the results of the annual meeting have been certified.

* * *

Sec. 7. 17 V.S.A. § 2680 is amended to read:

§ 2680. AUSTRALIAN BALLOT SYSTEM; GENERAL

* * *

(h) Hearing.

* * *

(2)(A) The hearing shall be held within the ~~40~~ 30 days preceding the meeting at which the Australian ballot system is to be used. The legislative body shall be responsible for the administration of this hearing, including the preparation of minutes.

* * *

(3) A hearing held pursuant to this subsection shall be video recorded and a copy of the recording shall be posted in a designated electronic location until the results of the meeting have been certified.

Sec. 8. WORKING GROUP ON PARTICIPATION AND ACCESSIBILITY
OF MUNICIPAL PUBLIC MEETINGS AND ELECTIONS;
REPORT

(a) Creation. There is created the Working Group on Participation and Accessibility of Municipal Public Meetings and Elections to study and make recommendations to:

(1) improve the accessibility of and participation in meetings of local public bodies, annual municipal meetings, and local elections; and

(2) increase transparency, accountability, and trust in government.

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

(1) two designees of the Vermont League of Cities and Towns;

(2) two designees of the Vermont Municipal Clerks' and Treasurers' Association;

(3) one designee of the Vermont School Boards Association;

(4) one designee of Disability Rights Vermont;

(5) one designee of the Vermont Access Network;

(6) one member with expertise in remote and hybrid voting and meeting technology, appointed by the Secretary of State;

(7) the Chair of the Human Rights Commission or designee; and

(8) the Secretary of State or designee, who shall be Chair.

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

(1) recommend best practices for:

(A) running effective and inclusive meetings and maximizing participation and accessibility in electronic, hybrid, and in-person annual meetings and meetings of public bodies;

(B) the use of universal design for annual meetings and meetings of public bodies;

(C) training public bodies for compliance with the Open Meeting Law; and

(D) recording meetings of municipal public bodies and the means and timeline for posting those recordings for public access.

(2) report on the findings of the Civic Health Index study by the Secretary of State and how to reduce barriers to participation in public service;

(3) identify the technical assistance, equipment, and training necessary for municipalities to run effective and inclusive remote or hybrid public meetings;

(4) produce a guide for accessibility for polling and public meeting locations;

(5) study the feasibility of using electronic platforms to support remote attendance and voting at annual meetings;

(6) analyze voter turnout and the voting methods currently used throughout the State;

(7) investigate whether increased use of resources for participants such as child care, hearing devices, translators, transportation, food, and hybrid meetings could increase participation in local public meetings; and

(8) study other topics as determined by the group that could improve participation and access to local public meetings.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Office of the Secretary of State. The Office of the Secretary of State may hire a consultant to provide assistance to the Working Group.

(e) Consultation. The Working Group shall consult with the Vermont Press Association, communications union districts, and other relevant stakeholders.

(f) Report. On or before November 1, 2025, the Working Group shall submit a written 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.

(g) Meetings.

(1) The Secretary of State shall call the first meeting of the Working Group to occur on or before September 1, 2024.

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

(3) The Working Group shall cease to exist on the date that it submits the report required by this section.

(h) Compensation and reimbursement. The members of the Working Group shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 10 meetings. These payments shall be made from monies appropriated to the Office of the Secretary of State.

(i) \$50,000.00 is appropriated from the General Fund to the Office of the Secretary of State in fiscal year 2025 for the purpose of hiring a consultant and for per diems and reimbursement of expenses for members of the Working Group.

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Government Operations with the following amendment thereto:

In Sec. 8, Working Group on Participation and Accessibility of Municipal Public Meetings and Elections; report, by striking out subsection (i) in its entirety.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of the Committee on Government Operations was amended as recommended by the Committee on Appropriations.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, Senators Hardy and Westman moved to amend the recommendation of the Committee on Government Operations, as amended, in Sec. 8, Working Group on Participation and Accessibility of Municipal Public Meetings and Elections; report, as follows:

First: In subdivision (b)(1), following the words “two designees of the Vermont League of Cities and Towns” by inserting “, who shall represent municipalities of differing populations and geographically diverse areas of the State” before the semicolon.

Second: In subdivision (b)(2), following the words “two designees of the Vermont Municipal Clerks’ and Treasurers’ Association” by inserting “, who shall represent municipalities of differing populations and geographically diverse areas of the State” before the semicolon.

Which was agreed to.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, was agreed to.

Thereupon, third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 186.

Senator Lyons, for the Committee on Health and Welfare, to which was referred Senate bill entitled:

An act relating to the systemic evaluation of recovery residences and recovery communities.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. RECOMMENDATION; RECOVERY RESIDENCE
CERTIFICATION

(a) The Department of Health, in consultation with State agencies and community partners, shall develop and recommend a certification program for recovery residences operating in the State. The certification program shall incorporate those elements of the existing certification program operated by the Vermont Alliance of Recovery Residences. The recommended certification program shall also:

(1) identify an organization to serve as the certifying body for recovery residences in the State;

(2) propose certification fees for recovery residences;

(3) establish a grievance and review process for complaints pertaining to certified recovery residences;

(4) identify certification levels, which may include distinct staffing or administrative requirements, or both, to enable a recovery residence to provide more intensive or extensive services;

(5) identify eligibility requirements for each level of recovery residence certification, including:

(A) staff and administrative requirements for recovery residences, including staff training and supervision;

(B) compliance with industry best practices that support a safe, healthy, and effective recovery requirement; and

(C) data collection requirements related to resident outcomes; and

(6) establish the required policies and procedures regarding the provision of services by recovery residences, including policies and procedures related to:

(A) resident rights;

(B) resident use of legally prescribed medications; and

(C) promoting quality and positive outcomes for residents.

(b) In developing the certification program recommendations required pursuant to this section, the Department shall consider:

(1) available funding streams to sustainably expand recovery residence services throughout the State;

(2) how to eliminate barriers that limit the availability of recovery residences; and

(3) recovery residence models used in other states and their applicability to Vermont.

(c) On or before October 15, 2024, the Department shall submit a written report describing its recommended recovery residence certification program and containing corresponding draft legislation to the House Committee on Human Services and to the Senate Committee on Health and Welfare.

(d) As used in this section, “recovery residence” means a shared living residence supporting persons recovering from a substance use disorder that:

(1) provides tenants with peer support and assistance accessing support services and community resources available to persons recovering from substance use disorders; and

(2) is certified by an organization approved by the Department of Health and that is either a Vermont affiliate of the National Alliance for Recovery Residences or another approved organization or is pending such certification.

Sec. 2. ASSESSMENT; GROWTH AND EVALUATION OF RECOVERY RESIDENCES

(a) The Department of Health shall complete an assessment of recovery residences in the State. In conducting the assessment, it shall obtain technical assistance for the purposes of:

(1) creating a comprehensive inventory of all recovery residences in Vermont, including assessments of proximity to employment, recovery, and other community resources;

(2) assessing the current capacity, knowledge, and ability of recovery residences to inform data collection and improve outcomes for residents;

(3) assessing recovery residences’ potential for future data collection capacity;

(4) assessing the types of data systems currently in use in Vermont’s recovery residences and defining the minimum core components of a data system;

(5) assisting to develop a framework of critical components and measurable outcomes for recovery residences and other recovery communities;

(6) assisting with capacity building and sustaining alternative payment models for recovery residences; and

(7) building sustainable funding with a focus on developing fee structures.

(b) On or before October 15, 2024, the Department shall submit the results of the assessment required pursuant to this section and any recommendations for legislative action to the House Committee on Human Services and to the Senate Committee on Health and Welfare.

(c) As used in this section, “recovery residence” means a shared living residence supporting persons recovering from a substance use disorder that:

(1) provides tenants with peer support and assistance accessing support services and community resources available to persons recovering from substance use disorders; and

(2) is certified by an organization approved by the Department of Health and that is either a Vermont affiliate of the National Alliance for Recovery Residences or another approved organization or is pending such certification.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

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

Bill Amended; Third Reading Ordered

S. 284.

Senator Williams, for the Committee on Education, to which was referred Senate bill entitled:

An act relating to the use of electronic devices and digital and online products in schools.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. CELL PHONE USE IN SCHOOLS; MODEL POLICY

(a) On or before December 31, 2024, the Secretary of Education shall develop a model policy and accompanying guidance regarding student use of cell phones and other personal electronic devices in schools. The guidance shall address, at a minimum, the following:

(1) the specific circumstances or time periods during which students are permitted to use cell phones or personal electronic devices, which shall include use of such devices for approved academic purposes;

(2) the specific circumstances or time periods during which students are prohibited from using cell phones or personal electronic devices;

(3) acceptable locations for cell phone and personal electronic device storage during times when their use by students is prohibited;

(4) consequences for violation of the model policy, including options for educators and staff to collect a cell phone or personal electronic device if a student is found violating the policy; and

(5) a process for parents or guardians to get messages to students during times when cell phone or personal electronic device use is prohibited.

(b) On or before January 15, 2026, the Agency of Education shall submit a written report to the Senate and House Committees on Education regarding the prevalence and substance of cell phone use policies adopted by school districts after the development of the Agency's model policy pursuant to subsection (a) of this section. The report shall include the following:

(1) information on how many school districts have adopted cell phone or personal electronic device use policies and whether and how those policies differ from the Agency's model policy and guidance;

(2) information on how many school districts do not have a cell phone or personal electronic device use policy and any information as to why such a policy has not been adopted at the time of the report; and

(3) in consultation with the Vermont Department of Health, recommendations for further legislative action regarding cell phone or personal electronic device use in schools.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

“An act relating to student use of cell phones and other personal electronic devices in schools.”

And that when so amended the bill ought to pass.

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

Rules Suspended; Bill Amended; Third Reading Ordered**S. 289.**

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to age-appropriate design code.

Was taken up for immediate consideration.

Senator Ram Hinsdale, for the Committee on Economic Development, Housing and General Affairs, to which the bill was referred, reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 9 V.S.A. chapter 62, subchapter 6 is added to read:

Subchapter 6. Age-Appropriate Design Code

§ 2449a. DEFINITIONS

As used in this subchapter:

(1) “Affiliate” means any person that, directly or indirectly, controls, is controlled by, or is under common control with another person. As used in this subdivision, “control” means ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a covered entity; control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or the power to exercise a controlling influence over the management of a covered entity.

(2) “Age-appropriate” means a recognition of the distinct needs and diversities of children at different age ranges. In order to help support the design of online services, products, and features, covered entities should take into account the unique needs and diversities of different age ranges, including the following developmental stages: zero to five years of age or “preliterate and early literacy”; six to nine years of age or “core primary school years”; 10 to 12 years of age or “transition years”; 13 to 15 years of age or “early teens”; and 16 to 17 years of age or “approaching adulthood.”

(3) “Collect” means buying, renting, gathering, obtaining, receiving, or accessing any personal data pertaining to a consumer by any means. This includes receiving data from the consumer, either actively or passively, or by observing the consumer’s behavior.

(4) “Consumer” means a individual who is a Vermont resident, and who provides consideration for goods or services either for sale or not for sale.

(5) “Covered entity” means:

(A) A sole proprietorship, partnership, limited liability company, corporation, association, or other legal entity that is organized or operated for the profit or financial benefit of its shareholders or other owners.

(B) An affiliate of a covered entity that shares common branding with the covered entity. As used in this subdivision (5)(B), “common branding” means a shared name, servicemark, or trademark that the average consumer would understand that two or more entities are commonly owned. For purposes of this subchapter, for a joint venture or partnership composed of covered entities in which each covered entity has at least a 40 percent interest, the joint venture or partnership and each covered entity that composes the joint venture or partnership shall separately be considered a single covered entity, except that personal data in the possession of each covered entity and disclosed to the joint venture or partnership shall not be shared with the other covered entity.

(6) “Dark pattern” means a user interface designed or manipulated with the effect of subverting or impairing user autonomy, decision making, or choice, and includes any practice the Federal Trade Commission categorizes as a “dark pattern.”

(7) “Default” means a preselected option adopted by the covered entity for the online service, product, or feature.

(8) “Deidentified” means data that cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable consumer, or a device linked to such consumer, provided that the covered entity that possesses the data:

(A) takes reasonable measures to ensure that the data cannot be associated with a consumer;

(B) publicly commits to maintain and use the data only in a deidentified fashion and not attempt to re-identify the data; and

(C) contractually obligates any recipients of the data to comply with all provisions of this subchapter.

(9) “Derived data” means data that is created by the derivation of information, data, assumptions, correlations, inferences, predictions, or conclusions from facts, evidence, or another source of information or data about a minor consumer or a minor consumer’s device.

(10)(A) “Low-friction variable reward” means a design feature or virtual item that intermittently rewards consumers for scrolling, tapping, opening, or continuing to engage in an online service, product, or feature.

(B) Examples of low-friction variable reward designs include endless scroll, auto play, and nudges meant to encourage reengagement.

(11) “Minor consumer” means a natural person under 18 years of age, who is a Vermont resident and who provides consideration for goods or services either for sale or not for sale.

(12) “Online service, product, or feature” does not mean any of the following:

(A) telecommunications service, as defined in 47 U.S.C. § 153;

(B) a broadband internet access service as defined in 3 V.S.A. § 348(d); or

(C) the sale, delivery, or use of a physical product.

(13) “Personal data” means any information, including derived data, that is linked or reasonably linkable, alone or in combination with other information, to an identified or identifiable consumer. Personal data does not include deidentified data or publicly available information. As used in this subdivision, “publicly available information” means information that:

(A) is lawfully made available from federal, State, or local government records or widely distributed media; and

(B) a covered entity has a reasonable basis to believe a consumer has lawfully made available to the public.

(14) “Precise geolocation” means any data that is derived from a device and that is used or intended to be used to locate a consumer within a geographic area that is equal to or less than the area of a circle with a radius of 1,850 feet.

(15) “Process” or “processing” means to conduct or direct any operation or set of operations performed, whether by manual or automated means, on personal data or on sets of personal data, such as the collection, use, storage, disclosure, analysis, deletion, modification, or otherwise handling of personal data.

(16) “Profile” or “profiling” means any form of automated processing of personal data to evaluate, analyze, or predict personal aspects concerning an identified or identifiable consumer’s economic situation, health, personal preferences, interests, reliability, behavior, location, or movements. “Profiling” does not include the processing of information that does not result in an assessment or judgment about a consumer.

(17) “Reasonably likely to be accessed” means an online service, product, or feature that is likely to be accessed by minor consumers based on any of the following indicators:

(A) the online service, product, or feature is directed to children, as defined by the Children’s Online Privacy Protection Act, 15 U.S.C. §§ 6501–6506 and the Federal Trade Commission rules implementing that Act;

(B) the online service, product, or feature is determined, based on competent and reliable evidence regarding audience composition, to be routinely accessed by an audience that is composed of at least two percent of minor consumers two through under 18 years of age;

(C) the online service, product, or feature contains advertisements marketed to minor consumers;

(D) the online service, product, or feature is substantially similar or the same as an online service, product, or feature subject to subdivision (B) of this subdivision (17);

(E) the audience of the online service, product, or feature is determined, based on internal company research, to be composed of at least two percent of minor consumers two through under 18 years of age; or

(F) the covered entity knew or should have known that at least two percent of the audience of the online service, product, or feature includes minor consumers two through under 18 years of age, provided that, in making this assessment, the covered entity shall not collect or process any personal data that is not reasonably necessary to provide an online service, product, or feature with which a minor consumer is actively and knowingly engaged.

(18) “Sale,” “sell,” or “sold” means the exchange of personal data for monetary or other valuable consideration by a covered entity to a third party. It does not include the following:

(A) the disclosure of personal data to a third party who processes the personal data on behalf of the covered entity;

(B) the disclosure of personal data to a third party with whom the consumer has a direct relationship for purposes of providing a product or service requested by the consumer;

(C) the disclosure or transfer of personal data to an affiliate of the covered entity;

(D) the disclosure of data that the consumer intentionally made available to the general public via a channel of mass media and did not restrict to a specific audience; or

(E) the disclosure or transfer of personal data to a third party as an asset that is part of a completed or proposed merger, acquisition, bankruptcy, or other transaction in which the third party assumes control of all or part of the covered entity’s assets.

(19)(A) “Social media platform” means a public or semi-public internet-based service or application that is primarily intended to connect and allow a user to socially interact within such service or application and enables a user to:

(i) construct a public or semi-public profile for the purposes of signing into and using such service or application;

(ii) populate a public list of other users with whom the user shares a social connection within such service or application; and

(iii) create or post content that is viewable by other users, including content on message boards and in chat rooms, and that presents the user with content generated by other users.

(B) “Social media platform” does not mean a public or semi-public internet-based service or application that:

(i) exclusively provides electronic mail or direct messaging services;

(ii) primarily consists of news, sports, entertainment, interactive video games, electronic commerce, or content that is preselected by the provider for which any interactive functionality is incidental to, directly related to, or dependent on the provision of such content; or

(iii) is used by and under the direction of an educational entity, including a learning management system or a student engagement program.

(20) “Third party” means a natural or legal person, public authority, agency, or body other than the consumer or the covered entity.

§ 2449b. SCOPE; EXCLUSIONS

(a) A person is considered a covered entity for the purposes of this subchapter if it:

(1) collects consumers’ personal data or has consumers’ personal data collected on its behalf by a third party;

(2) alone or jointly with others, determines the purposes and means of the processing of consumers’ personal data;

(3) operates in Vermont; and

(4) alone or in combination, annually buys, receives for the covered entity’s commercial purposes, sells, or shares for commercial purposes, alone or in combination, the personal data of at least 50 percent of its consumers.

(b) This subchapter does not apply to:

(1) protected health information that is collected by a covered entity or covered entity associate governed by the privacy, security, and breach notification rules issued by the U.S. Department of Health and Human Services, 45 C.F.R. Parts 160 and 164;

(2) a covered entity governed by the privacy, security, and breach notification rules issued by the U.S. Department of Health and Human Services, 45 C.F.R. Parts 160 and 164, to the extent the provider or covered entity maintains patient information in the same manner as medical information or protected health information as described in subdivision (1) of this subsection;

(3) information collected as part of a clinical trial subject to the Federal Policy for the Protection of Human Subjects, also known as the Common Rule, pursuant to good clinical practice guidelines issued by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use or pursuant to human subject protection requirements of the U.S. Food and Drug Administration; and

(4) a business whose primary purpose is journalism as defined in 12 V.S.A. § 1615(a)(2) and that has a majority of its workforce consisting of individuals engaging in journalism.

§ 2449c. MINIMUM DUTY OF CARE

(a) A covered entity that processes a minor consumer's data in any capacity owes a minimum duty of care to the minor consumer.

(b) As used in this subchapter, "a minimum duty of care" means the use of the personal data of a minor consumer and the design of an online service, product, or feature will not benefit the covered entity to the detriment of a minor consumer and will not result in:

(1) reasonably foreseeable and material physical or financial injury to a minor consumer;

(2) reasonably foreseeable emotional distress as defined in 13 V.S.A. § 1061(2) to a minor consumer;

(3) a highly offensive intrusion on the reasonable privacy expectations of a minor consumer;

(4) the encouragement of excessive or compulsive use of the online service, product, or feature by a minor consumer; or

(5) discrimination against the minor consumer based upon race, ethnicity, sex, disability, sexual orientation, gender identity, gender expression, or national origin.

§ 2449d. COVERED ENTITY OBLIGATIONS

(a) A covered entity subject to this subchapter shall:

(1) configure all default privacy settings provided to a minor consumer through the online service, product, or feature to a high level of privacy;

(2) provide privacy information, terms of service, policies, and community standards concisely, prominently, and in language suited to the age of a minor consumer reasonably likely to access that online service, product, or feature;

(3) provide prominent, accessible, and responsive tools to help a minor consumer or, if applicable, their parents or guardians to exercise their privacy rights and report concerns to the covered entity;

(4) honor the request of a minor consumer to unpublish the minor consumer's social media platform account not later than 15 business days after a covered entity receives such a request from a minor consumer; and

(5) provide easily accessible and age-appropriate tools for a minor consumer to limit the ability of users or covered entities to send unsolicited communications.

(b) A violation of this section constitutes a violation of the minimum duty of care as provided in section 2449c of this subchapter.

§ 2449e. COVERED ENTITY PROHIBITIONS

(a) A covered entity subject to this subchapter shall not:

(1) use low-friction variable reward design features that encourage excessive and compulsive use by a minor consumer;

(2) permit, by default, an unknown adult to contact a minor consumer on its platform without the minor consumer first initiating that contact;

(3) permit a minor consumer to be exploited by a contract on the online service, product, or feature;

(4) process personal data of a minor consumer unless it is reasonably necessary in providing an online service, product, or feature requested by a minor consumer with which a minor consumer is actively and knowingly engaged;

(5) profile a minor consumer, unless:

(A) the covered entity can demonstrate it has appropriate safeguards in place to ensure that profiling does not violate the minimum duty of care;

(B) profiling is necessary to provide the online service, product, or feature requested and only with respect to the aspects of the online service, product, or feature with which a minor consumer is actively and knowingly engaged; or

(C) the covered entity can demonstrate a compelling reason that profiling will benefit a minor consumer;

(6) sell the personal data of a minor consumer;

(7) process any precise geolocation information of a minor consumer by default, unless the collection of that precise geolocation information is strictly necessary for the covered entity to provide the service, product, or feature requested by a minor consumer and is then only collected for the amount of time necessary to provide the service, product, or feature;

(8) process any precise geolocation information of a minor consumer without providing a conspicuous signal to the minor consumer for the duration of that collection that precise geolocation information is being collected;

(9) use dark patterns; or

(10) permit a parent or guardian of a minor consumer, or any other consumer, to monitor the online activity of a minor consumer or to track the location of the minor consumer without providing a conspicuous signal to the minor consumer when the minor consumer is being monitored or tracked.

(b) A violation of this section constitutes a violation of the minimum duty of care as provided in section 2449c of this chapter.

§ 2449f. ATTORNEY GENERAL ENFORCEMENT

(a) A covered entity that violates this subchapter or rules adopted pursuant to this subchapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title.

(b) The Attorney General may, prior to initiating any action for a violation of any provision of this subchapter, issue a notice of violation to a covered entity if the Attorney General determines that a covered entity is in substantial compliance or that a cure by a covered entity is possible.

(c) The Attorney General may consider the following in determining whether to grant a covered entity the opportunity to cure an alleged violation described in subsection (b) of this section:

(1) the number of violations by the covered entity;

(2) the size and complexity of the covered entity controller;

(3) the nature and extent of the covered entity's activities;

- (4) the substantial likelihood of injury to the public;
- (5) the safety of persons or property;
- (6) whether the alleged violation was likely caused by human or technical error; and
- (7) the sensitivity of the data.

§ 2449g. LIMITATIONS

Nothing in this subchapter shall be interpreted or construed to:

- (1) impose liability in a manner that is inconsistent with 47 U.S.C. § 230;
- (2) prevent or preclude any minor consumer from deliberately or independently searching for, or specifically requesting, content; or
- (3) require a covered entity to implement an age verification requirement, such as age gating.

§ 2449h. RIGHTS AND FREEDOMS OF CHILDREN

It is the intent of the General Assembly that nothing in this act may be construed to infringe on the existing rights and freedoms of children or be construed to discriminate against the child based on race, ethnicity, sex, disability, sexual orientation, gender identity, gender expression, or national origin.

§ 2449i. RULES

The Attorney General may adopt by rule any standards or procedures the Attorney General deems necessary to implement the purpose and policies of this subchapter.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Sears, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass when amended as recommended by the Committee on Economic Development, Housing and General Affairs.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of the Committee on Economic Development, Housing and General Affairs was agreed to.

Thereupon, third reading of the bill was ordered, on a roll call, Yeas 27, Nays, 0.

Senator Ram Hinsdale 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, 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: Mazza, McCormack, Norris.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, March 20, 2024.

WEDNESDAY, MARCH 20, 2024

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. 32

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 856. An act relating to medical leave for a serious injury.

H. 870. An act relating to professions and occupations regulated by the Office of Professional Regulation.

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. 18. An act relating to banning flavored tobacco products and e-liquids.

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

Bill Referred to Committee on Finance

S. 167.

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

An act relating to miscellaneous amendments to education law.

Bills Referred

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

H. 856.

An act relating to medical leave for a serious injury.

To the Committee on Economic Development, Housing and General Affairs.

H. 870.

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

To the Committee on Government Operations.

Bill Amended; Third Reading Ordered

S. 150.

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

An act relating to automobile insurance.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 23 V.S.A. § 941 is amended to read:

§ 941. INSURANCE AGAINST UNINSURED, UNDERINSURED, OR UNKNOWN MOTORIST

* * *

(f) For the purpose of this subchapter, a motor vehicle is underinsured to the extent that:

(1) the liability insurance limits applicable at the time of the crash are less than the limits of the uninsured motorist coverage applicable to the insured damages that a person insured pursuant to this section is legally entitled to recover because of injury or death; or

(2) the available liability insurance has been reduced by payments to others injured in the crash to an amount less than the limits of the uninsured motorist coverage applicable to the insured damages that a person insured pursuant to this section is legally entitled to recover because of injury or death.

* * *

(h) Payments made to an injured party under the liability insurance policy of the person legally responsible for the damage or personal injury shall not be deducted from the underinsured motorist coverage otherwise available to the injured party.

Sec. 2. 8 V.S.A. § 4203(4) is amended to read:

(4) Payment of any judicial judgment or claim by the insured for any of the company's liability under the policy shall not bar the insured from any action or right of action against the company. In case of payment of loss or expense under the policy, the company shall be subrogated to all rights of the insured against any party, as respects such loss or expense, to the amount of such payment, and the insured shall execute all papers required and shall cooperate with the company to secure to the company such rights. However, the right of subrogation against any third party shall not exist or be claimed in favor of the insurer who has paid or reimbursed, to or for the benefit of the insured, medical costs payable pursuant to medical payments coverage.

Sec. 3. EFFECTIVE DATE; APPLICATION

This act shall take effect on passage and shall apply to all automobile insurance policies offered, issued, or renewed on or after January 1, 2025.

And that when so amended the bill ought to pass.

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

Bill Amended; Third Reading Ordered

S. 183.

Senator Clarkson, for the Committee on Government Operations, to which was referred Senate bill entitled:

An act relating to planning for the Agency of Health Care Administration.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. REENVISIONING THE AGENCY OF HUMAN SERVICES;
REPORT

(a) The Secretary of Human Services, in collaboration with the Deputy Secretary of Human Services and the commissioner of each department within the Agency of Human Services and in consultation with the Office of the Health Care Advocate; the Office of the Child, Youth, and Family Advocate; Disability Rights Vermont; the Office of the Long-Term Care Ombudsman; and other relevant stakeholders, shall consider options for reenvisioning the Agency of Human Services, such as restructuring the existing Agency of Human Services or dividing the existing Agency of Human Services into two or more separate agencies.

(b) The Secretary of Human Services and the other stakeholders identified in subsection (a) of this section shall evaluate the current structure of the Agency of Human Services, identify potential options for reenvisioning the Agency and engage in a cost-benefit analysis of each option, and develop one or more recommendations for implementation.

(c) On or before February 1, 2025, the Secretary shall provide the recommendations developed by the Secretary and stakeholders to the House Committees on Government Operations and Military Affairs, on Health Care, and on Human Services and the Senate Committees on Government Operations and on Health and Welfare, including the following:

(1) the rationale for selecting the recommended option or options;

(2) the likely impact of the recommendations on the departments within the Agency and on the Vermonters served by those departments, including Vermonters who are members of historically marginalized communities;

(3) how the recommendations would center the needs of and lead to better outcomes for the individuals and families served by the Agency and its departments and make the Agency more accountable to the Vermonters whom it serves;

(4) how the recommendations could improve collaboration, integration, and alignment of the services currently provided by the Agency and its departments and how they could enhance coordination and communication among the departments;

(5) how the recommendations could address the workforce and personnel capacity challenges that the Agency and its departments encounter;

(6) how the recommendations could address the technology and facility challenges that the Agency and its departments encounter;

(7) a transition and implementation plan for the recommendations that is designed to minimize confusion and disruption for individuals and families served by the Agency and its departments, as well as for Agency and departmental staff;

(8) a proposed organizational chart for any recommended reconfigurations; and

(9) the estimated costs or savings associated with the recommendations.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

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

“An act relating to reenvisioning the Agency of Human Services.”

And that when so amended the bill ought to pass.

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

Bills Passed

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

S. 55. An act relating to authorizing public bodies to meet electronically under Vermont’s Open Meeting Law.

S. 186. An act relating to the systemic evaluation of recovery residences and recovery communities.

Bill Amended; Bill Passed

S. 284.

Senate bill entitled:

An act relating to the use of electronic devices and digital and online products in schools.

Was taken up.

Thereupon, pending third reading of the bill, Senators Watson, Campion, Chittenden, Gulick, Hashim, Vyhovsky, Weeks and Williams moved to amend the bill as follows:

First: In Sec. 1, cell phone use in schools; model policy, by striking out subdivision (b)(1) in its entirety, and inserting in lieu thereof a new subdivision (b)(1) to read as follows:

(1) information on how many school districts have adopted cell phone or personal electronic device use policies, whether and how those policies differ from the Agency's model policy and guidance, and qualitative information regarding the effectiveness of those policies, including:

(A) information regarding student compliance;

(B) information regarding whether such polices are being enforced, including information on the effort required on the part of educators to ensure student compliance; and

(C) information regarding parent, student, and educator satisfaction with such policies;

Second: In Sec. 1, cell phone use in schools; model policy, by striking out subdivision (b)(3) in its entirety, and inserting in lieu thereof a new subdivision (b)(3) to read as follows:

(3) in consultation with the Vermont Department of Health, recommendations for:

(A) further legislative action regarding cell phone or personal electronic device use in schools; and

(B) age-appropriate educational opportunities regarding media literacy and the safe and appropriate use of cell phones or personal electronic devices.

Thereupon, Senator Kitchel, moved that the amendment offered by Senators Watson, Campion, Chittenden, Gulick, Hashim, Vyhovsky, Weeks, and Williams be amended in the Second instance of amendment, Sec 1., subdivision (b)(3), after "in consultation with the" by inserting the words Department of Mental Health and the, and by striking out the word "Vermont"

Which was agreed to.

Thereupon, the pending question, Shall the bill be amended as recommended by Senators Watson, Campion, Chittenden, Gulick, Hashim, Vyhovsky, Weeks and Williams, as amended?, was agreed to,

Thereupon, the bill was read the third time and passed.

Bill Passed

S. 289.

Senate bill of the following title was read the third time and passed:

An act relating to age-appropriate design code.

The President *pro tempore* Assumes the Chair

Bill Amended; Third Reading Ordered

S. 305.

Senate committee bill entitled:

An act relating to miscellaneous changes related to the Public Utility Commission.

Having appeared on the Calendar for notice for one day, was taken up.

Senator Bray, for the Committee on Natural Resources, to which the bill was referred, reported that the bill be amended as follows:

By striking out Sec. 7, effective date, in its entirety and inserting in lieu thereof the following:

* * * Energy Efficiency Modernization Act * * *

Sec. 7. 2020 Acts and Resolves No. 151, Sec. 1, as amended by 2023 Acts and Resolves No. 44, Sec. 1, is further amended to read:

Sec. 1. ALLOWANCE OF THE USE OF ENERGY EFFICIENCY
CHARGE FUNDS FOR GREENHOUSE GAS EMISSIONS
REDUCTION PROGRAMS

(a) The electric resource acquisition budget for an entity appointed to provide electric energy efficiency and conservation programs and measures pursuant to 30 V.S.A. § 209(d)(2)(A) for the calendar years 2021–2026 shall be determined pursuant to 30 V.S.A. § 209(d)(3)(B). This section shall apply only if the entity’s total electric resource acquisition budget for 2024–2026 does not exceed the entity’s total electric resource acquisition budget for 2021–2023, adjusted for cumulative inflation between January 1, 2021, and July 1, 2023, using the national consumer price index. An entity may include proposals for activities allowed under this pilot in its 2027–2029 demand resource plan filing, but these activities shall only be implemented if this section is extended to cover that ~~timeframe~~ time frame.

(b) Notwithstanding any provision of law or order of the Public Utility Commission (PUC) to the contrary, ~~the PUC shall authorize an entity pursuant to subsection (a) of this section to appointed under 30 V.S.A. § 209(d)(2)(A) may spend a portion of its electric resource acquisition budget, in an amount to be determined by the PUC but not to exceed \$2,000,000.00 per year, on programs, measures, and services that reduce greenhouse gas emissions in the thermal energy or transportation sectors. Programs measures, and services authorized pursuant to subsection (a) of this section shall~~ An entity spending a portion of its electric resource acquisition budget as outlined in this section

shall submit notice of the amount of the annual electric resource acquisition budget to be spent pursuant to this subsection to the PUC, the Department of Public Service, the electric distribution utilities, and the Vermont Public Power Supply Authority with a sworn statement attesting that the programs, measures, or services comply with the following criteria:

(1) Reduce greenhouse gas emissions in the thermal energy or transportation sectors, or both.

(2) Have a nexus with electricity usage.

(3) Be additive and complementary to and shall not replace or be in competition with electric utility energy transformation projects pursuant to 30 V.S.A. § 8005(a)(3) and existing thermal efficiency programs operated by an entity appointed under 30 V.S.A. § 209(d)(2)(A) such that they result in the largest possible greenhouse gas emissions reductions in a cost-effective manner.

(4) Be proposed after the entity consults with any relevant State agency or department and shall not be duplicative or in competition with programs delivered by that agency or department.

(5) Be delivered on a statewide basis. However, this shall not preclude the delivery of services specific to a retail electricity provider. Should such services be offered, all distribution utilities and Vermont Public Power Supply Authority shall be provided the opportunity to participate, and those services shall be designed and coordinated in partnership with each of them. For programs and services that are not offered on a statewide basis, the proportion of utility-specific program funds used for services to any distribution utility shall be ~~no~~ not less than the proportionate share of the energy efficiency charge, which in the case of Vermont Public Power Supply Authority, is the amount collected across their combined member utility territories during the period this section remains in effect.

(c) An entity that ~~is approved to provide~~ provides a program, measure, or service pursuant to this section shall provide the program, measure, or service in cooperation with a retail electricity provider.

(4) The entity shall not claim any savings and reductions in fossil fuel consumption and in greenhouse gas emissions by the customers of the retail electricity provider resulting from the program, measure, or service if the provider elects to offer the program, measure, or service pursuant to 30 V.S.A. § 8005(a)(3) unless the entity and provider agree upon how savings and reductions should be accounted for, apportioned, and claimed.

~~(2) The PUC shall develop standards and methods to appropriately measure the effectiveness of the programs, measures, and services in relation to the entity's Demand Resources Plan proceeding.~~

(d) Any funds spent on programs, measures, and services pursuant to this section shall not be counted towards the calculation of funds used by a retail electricity provider for energy transformation projects pursuant to 30 V.S.A. § 8005(a)(3) and the calculation of project costs pursuant to 30 V.S.A. § 8005(a)(3)(C)(iv).

~~(e) On or before April 30, 2021 and every April 30 for six years thereafter, the PUC shall submit a written report to the House Committee on Environment and Energy and the Senate Committees on Natural Resources and Energy and on Finance concerning any programs, measures, and services approved pursuant to this section.~~

(f) Thermal energy and process fuel efficiency funding. Notwithstanding 30 V.S.A. § 209(e), a retail electricity provider that is also an entity appointed under 30 V.S.A. § 209(d)(2)(A), may during the years of 2024–2026, use monies subject to 30 V.S.A. § 209(e) to deliver thermal and transportation measures or programs that reduce fossil fuel use regardless of the preexisting fuel source of the customer, including measures or programs permissible under this pilot program, with special emphasis on measures or programs that take a new or innovative approach to reducing fossil fuel use, including modifying or supplementing existing vehicle incentive programs and electric vehicle supply equipment grant programs to incentivize high-consumption fuel users, especially individuals using more than 1000 gallons of gasoline or diesel annually and those with low and moderate income, to transition to the use of battery electric vehicles.

* * * Clean Heat Standard * * *

Sec. 8. 30 V.S.A. § 8124 is amended to read:

§ 8124. CLEAN HEAT STANDARD COMPLIANCE

* * *

(b) Annual registration.

* * *

(4) The Commission shall maintain, and update annually, a list of registered entities on its website ~~that contains the required registration information.~~

* * *

Sec. 9. 30 V.S.A. § 8125 is amended to read:

§ 8125. DEFAULT DELIVERY AGENT

* * *

(b) Appointment. The default delivery agent shall be one or more statewide entities capable of providing a variety of clean heat measures. ~~The Commission shall designate the first default delivery agent on or before June 1, 2024.~~ The designation of an entity under this subsection may be by order of appointment or contract. A designation, whether by order of appointment or by contract, may only be issued after notice and opportunity for hearing. An existing order of appointment issued by the Commission under section 209 of this title may be amended to include the responsibilities of the default delivery agent. An order of appointment shall be for a limited duration not to exceed 12 years, although an entity may be reappointed by order or contract. An order of appointment may include any conditions and requirements that the Commission deems appropriate to promote the public good. For good cause, after notice and opportunity for hearing, the Commission may amend or revoke an order of appointment.

* * *

(d) Use of default delivery agent.

* * *

(3) The Commission shall by rule or order establish a standard timeline under which the default delivery agent credit cost or costs are established and by which an obligated party must file its form. The default delivery agent's schedule of costs shall include sufficient costs to deliver installed measures and shall specify separately the costs to deliver measures to customers with low income and customers with moderate income as required by subsection 8124(d) of this title. The Commission shall provide not less than ~~120~~ 90 days' notice of default delivery agent credit cost or costs prior to the deadline for an obligated party to file its election form so an obligated party can assess options and inform the Commission of its intent to procure credits in whole or in part as fulfillment of its requirement.

* * *

(e) Budget.

* * *

(B) the development of a three-year plan and associated proposed budget by the default delivery agent to be informed by the final results of the Department's potential study. The default delivery agent may propose a portion of its budget towards promotion and market uplift, workforce development, and trainings for clean heat measures. The Commission shall

approve the first three-year plan and associated budget by no later than September 1, 2025; and

* * *

Sec. 10. 30 V.S.A. § 8126 is amended to read:

§ 8126. RULEMAKING

(a) The Commission shall adopt rules and may issue orders to implement and enforce the Clean Heat Standard program.

* * *

(c) The Commission's rules may include a provision that allows the Commission to revise its Clean Heat Standard rules by order of the Commission without the revisions being subject to the rulemaking requirements of ~~the~~ 3 V.S.A. chapter 25, provided the Commission:

- (1) provides notice of any proposed changes;
- (2) allows for a 30-day comment period;
- (3) responds to all comments received on the proposed change;
- (4) provides a notice of language assistance services on all public outreach materials; and
- (5) arranges for language assistance to be provided to members of the public as requested using professional language services companies.

(d) Any order issued under ~~this chapter~~ subsection (c) of this section shall be subject to appeal to the Vermont Supreme Court under section 12 of this title, and the Commission must immediately file any orders, a redline, and clean version of the revised rules with the Secretary of State, with notice simultaneously provided to the House Committee on Environment and Energy and the Senate Committees on Finance and on Natural Resources and Energy.

Sec. 11. 2023 Acts and Resolves No. 18, Sec. 6 is amended to read:

Sec. 6. PUBLIC UTILITY COMMISSION IMPLEMENTATION

* * *

(f) Final rules.

* * *

(5) The final proposed rules shall contain the first set of annual required amounts for obligated parties as described in 30 V.S.A. § 8124(a)~~(1)~~(2). The first set of annual required amounts shall only be adopted through the rulemaking process established in this section, not through an order.

* * *

Sec. 12. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

(d) The Commissioner shall disclose a return or return information:

* * *

(7) to the Joint Fiscal Office pursuant to subsection 10503(e) of this title and subject to the conditions and limitations specified in that subsection; ~~and~~

(8) to the Attorney General; the Data Clearinghouse established in the October 2017 Non-Participating Manufacturer Adjustment Settlement Agreement, which the State of Vermont joined in 2018; the National Association of Attorneys General; and counsel for the parties to the Agreement as required by the Agreement and to the extent necessary to comply with the Agreement and only as long as the State is a party to the Agreement; and

(9) to the Public Utility Commission and the Department of Public Service, provided the disclosure relates to the sale of heating fuel into or in the State for compliance with the Clean Heat Standard established in 30 V.S.A. chapter 94.

* * *

* * * Effective Date * * *

Sec. 13. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of amendment of the Committee on Natural Resources was agreed to on a division of the Senate, Yeas 20, Nays 7.

Thereupon, third reading of the bill was ordered.

Third Reading Ordered

S. 246.

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

An act relating to amending the Vermont basic needs budget and livable wage.

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.

Third Reading Ordered

H. 801.

Senator Watson, 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 Waterbury.

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.

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

The President Resumes the Chair

Bill Amended; Third Reading Ordered

S. 213.

Senator Bray, for the Committee on Natural Resources and Energy, to which was referred Senate bill entitled:

An act relating to the regulation of wetlands, river corridor development, and dam safety.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Short Title * * *

Sec. 1. SHORT TITLE

This act may be cited as the “Flood Safety Act.”

* * * Development in River Corridors * * *

Sec. 2. FINDINGS

The General Assembly finds that for purposes of Secs. 3–11 of this act:

(1) According to the 2023 National Climate Assessment, the northeastern region of the United States has experienced a 60 percent increase in more extreme precipitation events since 1958, particularly in inland flooding of valleys, where persons, infrastructure, and agriculture tend to be concentrated.

(2) The 2021 Vermont Climate Assessment highlights that Vermont has seen:

(A) a 21 percent increase in average annual precipitation since 1990; and

(B) 2.4 additional days of heavy precipitation since the 1960s.

(3) According to the National Oceanic and Atmospheric Administration's National Centers for Environmental Information, average annual damages from flooding and flood-related disasters between 1980 and 2023 exceeds 30 million, conservatively.

(4) According to the Department of Environmental Conservation, 70 to 80 percent of all flood-related damages occur within Vermont's river corridors.

(5) According to the Department of Environmental Conservation, only 10 percent of Vermont municipalities, cities, or incorporated villages have adopted full river corridor protections through the Department's model bylaws.

(6) Promoting existing compact settlements, located along Vermont waterways, will require improved flood resilience efforts, as described in the initial Vermont Climate Action Plan of 2021, such as managing flood and fluvial erosion hazards to protect Vermont's compact settlements, which will be a critical component of a successful climate adaptation response.

(7) The State, as recommended in the initial Vermont Climate Action Plan of 2021, should adopt legislation that would authorize the Agency of Natural Resources to revise the Vermont Flood Hazard Area and River Corridor rule to provide the Agency with delegable, statewide jurisdiction and permitting authority for new development taking place in mapped river corridors.

Sec. 3. DEPARTMENT OF ENVIRONMENTAL CONSERVATION;
RIVER CORRIDOR BASE MAP; INFILL MAPPING;
EDUCATION AND OUTREACH

(a) On or before January 1, 2026, the Department of Environmental Conservation shall amend by procedure the statewide River Corridor Base Map to identify areas suitable for development that are located within existing settlements and that will not cause or contribute to increases in fluvial erosion hazards.

(b) Beginning on January 1, 2025 and ending on January 1, 2027, the Department of Environmental Conservation shall conduct an education and outreach program to consult with and collect input from municipalities, environmental justice focus populations, the Environmental Justice Advisory

Council, businesses, property owners, farmers, and other members of the public regarding how State permitting of development in mapped river corridors will be implemented, including potential restrictions on the use of land within mapped river corridors. The Department shall develop educational materials for the public as part of its charge under this section. The Department shall collect input from the public regarding the permitting of development in mapped river corridors as proposed by this act. On or before January 15, 2027 and until permitting of development in mapped river corridors begins under 10 V.S.A. §754, the Department shall submit to the Senate Committee on Natural Resources and Energy, the House Committee on Environment and Energy, and the Environmental Justice Advisory Council a report that shall include:

(1) a summary of the public input it received regarding State permitting of development in mapped river corridors during the public education and outreach required under this section;

(2) recommendations, based on the public input collected, for changes to the requirements for State permitting of development in mapped river corridors;

(3) an analysis and summary of State permitting of development in mapped river corridors on environmental justice populations; and

(4) a summary of the Department's progress in adopting the rules required under 10 V.S.A. § 754 for the regulation of development in mapped river corridors.

(c) In addition to other funds appropriated to the Agency of Natural Resources in fiscal year 2025:

(1) the amount of \$900,000.00 shall be appropriated from the General Fund for six new, full-time positions to conduct infill and redevelopment mapping of mapped river corridors under subsection (a) of this section, to conduct the education and outreach required under subsection (b) of this section, and to conduct the rulemaking and permitting required under Sec. 5 of this act; and

(2) the amount of \$225,000.00 is appropriated from the General Fund for the purpose of contracting costs necessary to implement the mapping, education and outreach, rulemaking, and permitting required under this section and Sec. 5 of this act.

Sec. 4. 10 V.S.A. § 752 is amended to read:

§ 752. DEFINITIONS

~~For the purpose of~~ As used in this chapter:

* * *

(2) “Development,” for the purposes of flood hazard area management and regulation, ~~shall have~~ has the same meaning as “development” under 44 C.F.R. § 59.1.

(3) “Flood hazard area” ~~shall have~~ has the same meaning as “area of special flood hazard” under 44 C.F.R. § 59.1.

* * *

(8) “Uses Development exempt from municipal regulation” means ~~land use or activities that are development that is~~ exempt from municipal land use regulation under 24 V.S.A. chapter 117.

* * *

(13) “Existing settlement” has the same meaning as in section 6001 of this title.

(14) “Mapped river corridor” means a river corridor drawn and adopted by the Secretary of Natural Resources as part of the statewide River Corridor Base Map Layer in accordance with the Flood Hazard Area and River Corridor Protection Procedure for rivers and streams with a watershed area greater than two square miles.

Sec. 5. 10 V.S.A. § 754 is amended to read:

§ 754. FLOOD HAZARD AREA RULES ; USES EXEMPT FROM MUNICIPAL REGULATION MAPPED RIVER CORRIDOR RULES

(a) Rulemaking authority.

(1) ~~On or before November 1, 2014, the Secretary shall adopt rules pursuant to 3 V.S.A. chapter 25 that establish requirements for the issuance and enforcement of permits applicable to:~~

~~(i) uses exempt from municipal regulation that are located within a flood hazard area or river corridor of a municipality that has adopted a flood hazard bylaw or ordinance under 24 V.S.A. chapter 117; and~~

~~(ii) State-owned and -operated institutions and facilities that are located within a flood hazard area or river corridor~~ On or before July 1, 2027, the Secretary shall adopt rules pursuant to 3 V.S.A. chapter 25 that establish requirements for issuing and enforcing permits for:

(A) all development within a mapped river corridor in the State; and

(B) for development exempt from municipal regulation in flood hazard areas.

* * *

(b) Required rulemaking content. The rules shall:

(1) set forth the requirements necessary to ensure uses that development exempt from municipal regulation are in flood hazard areas is regulated by the State in order to comply with the regulatory obligations set forth under the National Flood Insurance Program;

(2) be designed to ensure that the State and municipalities meet community eligibility requirements for the National Flood Insurance Program;

(3) establish requirements for the permitting of development within the mapped river corridors of the State;

(4) provide certain regulatory exemptions for minor development activities in a mapped reiver corridor when the development activities have no adverse environmental effects;

(5) establish the requirements and process for a municipality to be delegated the State's permitting authority for development in a mapped river corridor when the development is not exempt from municipal regulation and when the municipality has adopted an ordinance or bylaw under 24 V.S.A. chapter 117 that has been approved by the Secretary and that meets or exceeds the requirements established under State rule;

(6) set forth a process for amending the statewide River Corridor Base Map; and

~~(e)(7) Discretionary rulemaking.~~ The rules required under this section may establish requirements that exceed the requirements of the National Flood Insurance Program for uses development exempt from municipal regulation in flood hazard areas, including requirements for the maintenance of existing native riparian vegetation, provided that any rules adopted under this subsection that exceed the minimum requirements of the National Flood Insurance Program shall be designed to prevent or limit a risk of harm to life, property, or infrastructure from flooding.

~~(d)(c) General permit.~~ The rules authorized by this section may establish requirements for a general permit to implement the requirements of this section, including authorization under the general permit to conduct a specified use exempt from municipal regulation without notifying or reporting to the Secretary or an agency delegated under subsection ~~(g)(f)~~ of this section. A general permit implementing the requirements of this section shall not be required to be issued by rule.

~~(e)(d) Consultation with interested parties.~~ Prior to submitting the rules required by this section to the Secretary of State under 3 V.S.A. § 838, the

Secretary shall solicit the recommendations of and consult with affected and interested persons and entities such as: the Secretary of Commerce and Community Development; the Secretary of Agriculture, Food and Markets; the Secretary of Transportation; the Commissioner of Financial Regulation; representatives of river protection interests; representatives of fishing and recreational interests; representatives of the banking industry; representatives of the agricultural community; representatives of the forest products industry; the regional planning commissions; municipal interests; and representatives of municipal associations.

~~(f)(e)~~ Permit requirement. A Beginning on January 1, 2028, a person shall not commence or conduct a use development exempt from municipal regulation in a flood hazard area or commence or conduct any development in a mapped river corridor in a municipality that has adopted a flood hazard area bylaw or ordinance under 24 V.S.A. chapter 117 or commence construction of a State-owned and operated institution or facility located within a flood hazard area or river corridor, without a permit issued under the rules required under subsection (a) of this section by the Secretary or by a State agency delegated permitting authority under subsection ~~(g)(f)~~ of this section. When an application is filed under this section, the Secretary or delegated State agency shall proceed in accordance with chapter 170 of this title.

~~(g)(f)~~ Delegation.

(1) The Secretary may delegate to another State agency the authority to implement the rules adopted under this section, to issue a permit under subsection ~~(f)(e)~~ of this section, and to enforce the rules and a permit.

(2) A memorandum of understanding shall be entered into between the Secretary and a delegated State agency for the purpose of specifying implementation of requirements of this section and the rules adopted under this section, issuance of a permit or coverage under a general permit under this section, and enforcement of the rules and permit required by this section.

(3) Prior to entering a memorandum of understanding, the Secretary shall post the proposed memorandum of understanding on its website for 30 days for notice and comment. When the memorandum of understanding is posted, it shall include a summary of the proposed memorandum; the name, telephone number, and address of a person able to answer questions and receive comments on the proposal; and the deadline for receiving comments. A final copy of a memorandum of understanding entered into under this section shall be sent to the chairs of the House ~~Committees on Energy and Technology and on Natural Resources, Fish, and Wildlife~~ Committee on Environment and Energy, the Senate Committee on Natural Resources and Energy, and any other committee that has jurisdiction over an agency that is a

party to the memorandum of understanding.

~~(h)~~(g) Municipal authority. This section and the rules adopted under it shall not prevent a municipality from adopting substantive requirements for development in a flood hazard area bylaw or ordinance under 24 V.S.A. chapter 117 that are more stringent than the rules required by this section, provided that the bylaw or ordinance shall not apply to uses exempt from municipal regulation.

Sec. 6. 10 V.S.A. § 755 is amended to read:

§ 755. STATE FLOOD HAZARD AREA STANDARDS; MUNICIPAL EDUCATION; MODEL FLOOD HAZARD AREA BYLAW OR ORDINANCE

(a) State flood hazard area standards.

(1) On or before January 1, 2026, the Secretary shall adopt rules pursuant to 3 V.S.A. chapter 25 that establish a set of flood hazard area standards for enrollment in the National Flood Insurance Program (NFIP).

(2) The rules shall contain flood hazard area standards that meet or exceed the minimum standards of the NFIP by reducing flood risk to new development and ensuring new development does not create adverse impacts to adjacent preexisting development.

(3) Any municipality with a municipal flood hazard area bylaw or ordinance shall update their bylaw or ordinance to incorporate the State Flood Hazard Area Standards. Nothing in this section shall prohibit a municipality from adopting a more protective flood hazard standard with language and standards approved by the Agency.

(4) On or after January 1, 2028, the State Flood Hazard Areas adopted under subdivision (1) of this subsection shall be the State minimum flood hazard areas standards.

(b) Education and assistance. The Secretary, in consultation with regional planning commissions, shall provide ongoing education, technical assistance, and guidance to municipalities regarding the requirements under 24 V.S.A. chapter 117 necessary for compliance with the National Flood Insurance Program (NFIP), including implementation of the State Flood Hazard Area Standards adopted under subsection (a) of this section.

~~(b)~~(c) Model flood hazard area bylaw or ordinance. The Secretary shall create and make available to municipalities a model flood hazard area bylaw or ordinance for potential adoption by municipalities pursuant to 24 V.S.A. chapter 117 or 24 V.S.A. § 2291. The model bylaw or ordinance shall set forth the minimum provisions necessary to meet the requirements of the ~~National~~

~~Flood Insurance Program NFIP, including implementation of the State Flood Hazard Area Standards~~ adopted under subsection (a) of this section. The model bylaw may include alternatives that exceed the minimum requirements for compliance with the ~~National Flood Insurance Program NFIP and State Flood Hazard Area Standards~~ in order to allow a municipality to elect whether it wants to adopt the minimum requirement or an alternate requirement that further minimizes the risk of harm to life, property, and infrastructure from flooding.

(e)(d) Assistance to municipalities with no flood hazard area bylaw or ordinance. The Secretary, in consultation with municipalities, municipal organizations, and regional planning commissions, shall provide education and technical assistance to municipalities that lack a flood hazard area bylaw or ordinance in order to encourage adoption of a flood hazard area bylaw or ordinance that qualifies the municipality for the ~~National Flood Insurance Program (NFIP)~~.

Sec. 7. 24 V.S.A. § 4302(c)(14) is amended to read:

(14) To encourage flood resilient communities.

(A) New development in identified flood hazard, fluvial erosion, and river corridor protection areas should be avoided. If new development is to be built in such areas, it should not exacerbate flooding and fluvial erosion and should meet or exceed the statewide minimum flood hazard area standards established by rule by the Agency of Natural Resources.

* * *

Sec. 8. 24 V.S.A. § 4382(a)(12) is amended to read:

(12)(A) A flood resilience plan that:

(i) identifies flood hazard and fluvial erosion hazard areas, based on river corridor maps provided by the Secretary of Natural Resources pursuant to 10 V.S.A. § 1428(a) or maps recommended by the Secretary, and designates those areas to be protected, including floodplains, river corridors, land adjacent to streams, wetlands, and upland forests, to reduce the risk of flood damage to infrastructure and improved property; and

(ii) recommends policies and strategies to protect the areas identified and designated under subdivision (12)(A)(i) of this subsection and to mitigate risks to public safety, critical infrastructure, historic structures, and municipal investments. These strategies shall include adoption and implementation of the State Flood Hazard Area Standards.

(B) A flood resilience plan may reference an existing local hazard mitigation plan approved under 44 C.F.R. § 201.6.

Sec. 9. 24 V.S.A. § 4424 is amended to read:

§ 4424. ~~SHORELANDS; RIVER CORRIDOR PROTECTION AREAS;~~
FLOOD OR HAZARD AREA; SPECIAL OR FREESTANDING
BYLAWS

(a) ~~Bylaws; flood and other hazard areas; river corridor protection.~~ Any municipality may adopt freestanding bylaws under this chapter to address particular hazard areas in conformance with the municipal plan, the State Flood Hazard Area Standards or, for the purpose of adoption of a flood hazard area bylaw, a local hazard mitigation plan approved under 44 C.F.R. § 201.6. Such freestanding bylaws may include the following, which may also be part of zoning or unified development bylaws:

(1) Bylaws to regulate development and use along shorelands.

(2) ~~Bylaws to regulate development and use in flood areas, river corridor protection areas,~~ flood hazard areas or other hazard areas. The following shall apply if flood hazard or other hazard area bylaws are enacted:

(A) Purposes.

(i) To minimize and prevent the loss of life and property, the disruption of commerce, the impairment of the tax base, and the extraordinary public expenditures and demands on public service that result from flooding, landslides, erosion hazards, earthquakes, and other natural or human-made hazards.

(ii) To ensure that the design and construction of development in ~~flood, river corridor protection,~~ hazard and other hazard areas are accomplished in a manner that minimizes or eliminates the potential for flood and loss or damage to life and property and ensures new development will not adversely affect existing development in a flood hazard area ~~or that minimizes the potential for fluvial erosion and loss or damage to life and property in a river corridor protection area.~~

(iii) To manage all flood hazard areas designated pursuant to 10 V.S.A. § 753.

(iv) To make the State and municipalities eligible for federal flood insurance and other federal disaster recovery and hazard mitigation funds as may be available.

(B) Contents of bylaws. Except as provided in subsection (c) of this section, ~~flood, river corridor protection area,~~ hazard and other hazard area bylaws ~~may shall~~:

(i) ~~Contain standards and criteria that prohibit the placement of damaging obstructions or structures, the use and storage of hazardous or~~

~~radioactive materials, and practices that are known to further exacerbate hazardous or unstable natural conditions~~ Require compliance with the State Flood Hazard Area Standards established by rule pursuant to 10 V.S.A. § 755(c) and meet all additional requirements under the National Flood Insurance Program as set forth in 44 C.F.R. § 60.3.

~~(ii) Require flood, fluvial erosion, and hazard protection through elevation, floodproofing, disaster preparedness, hazard mitigation, relocation, or other techniques.~~

~~(iii) Require adequate provisions for flood drainage and other emergency measures.~~

~~(iv) Require provision of adequate and disaster-resistant water and wastewater facilities.~~

~~(v) Establish other restrictions to promote the sound management and use of designated flood, river corridor protection, and other hazard areas.~~

~~(vi) Regulate~~ Regulate all land development in a flood hazard area, river corridor protection area, or other hazard area, except for development that is regulated under 10 V.S.A. § 754.

(C) Effect on zoning bylaws. Flood hazard or other hazard area bylaws may alter the uses otherwise permitted, prohibited, or conditional in a flood hazard area or other hazard area under a bylaw, as well as the applicability of other provisions of that bylaw. Where a flood hazard bylaw, a hazard area bylaw, or both apply along with any other bylaw, compliance with the flood or other hazard area bylaw shall be prerequisite to the granting of a zoning permit. Where a flood hazard area bylaw or a hazard area bylaw but not a zoning bylaw applies, the flood hazard and other hazard area bylaw shall be administered in the same manner as are zoning bylaws, and a flood hazard area or hazard area permit shall be required for land development covered under the bylaw.

(D) Mandatory provisions.

(i) Except as provided in subsection (c) of this section, all flood hazard and other hazard area bylaws shall provide that no permit for new construction or substantial improvement shall be granted for a flood hazard or other hazard area until after both the following:

(I) A a copy of the application is mailed or delivered by the administrative officer or by the appropriate municipal panel to the Agency of Natural Resources or its designee, which may be done electronically, provided the sender has proof of receipt; and

(II) ~~Either~~ either 30 days have elapsed following the mailing or the Agency or its designee delivers comments on the application.

(ii) The Agency of Natural Resources may delegate to a qualified representative of a municipality with a flood hazard area bylaw or ordinance or to a qualified representative for a regional planning commission the Agency's authority under this subdivision (a)(2)(D) to review and provide technical comments on a proposed permit for new construction or substantial improvement in a flood hazard area. Comments provided by a representative delegated under this subdivision (a)(2)(D) shall not be binding on a municipality.

(b) Ordinances. A municipality may adopt a flood hazard area, ~~river corridor protection area,~~ or other hazard area regulation that meets the requirements of this section by ordinance under subdivision 2291(25) of this title.

* * *

Sec. 10. STUDY COMMITTEE ON STATE ADMINISTRATION OF THE NATIONAL FLOOD INSURANCE PROGRAM

(a) Creation. There is created the Study Committee on State Administration of the National Flood Insurance Program to review and recommend how to reduce vulnerability to inundation flooding, including how and to what scale to shift responsibility for the administration and enforcement of the National Flood Insurance Program from individual municipalities to the State Department of Environmental Conservation.

(b) Membership. The Study Committee on State Administration of the National Flood Insurance Program shall be 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) two members of the Department of Environmental Conservation Rivers Program, appointed by the Governor;

(4) two members of Vermont's Regional Planning Commissions, appointed by the Vermont Association of Planning and Development Agencies; and

(5) one member to represent Vermont municipalities, appointed by the Committee on Committees.

(c) Powers and duties. The Study Committee on State Administration of the National Flood Insurance Program shall:

(1) summarize the existing responsibilities of individual municipalities that are enrolled in the National Flood Insurance Program;

(2) assess the ability of individual municipalities enrolled in the National Flood Insurance Program to comply with the program's minimum standards, identifying the specific barriers to enrollment and compliance;

(3) assess the feasibility of the Department of Environmental Conservation Rivers Program to take on the administrative burden of the National Flood Insurance Program, including an assessment of the various scales with which this could occur;

(4) estimate the staffing needs to effectively administer the National Flood Insurance Program for Vermont's municipalities;

(5) recommend how to phase in a proposed state-administered National Flood Insurance Program; and

(6) propose to the General Assembly funding sources to support all potential administrative costs for a proposed state-administered National Flood Insurance Program, including the permanent full-time classified staff positions in the Department of Environmental Conservation's Rivers Program needed to establish a flood hazard area permitting program and a permitting fee for applications to the Department of Environmental Conservation's Rivers Program and other potential funding sources.

(d) Assistance. For purposes of scheduling meetings and administrative support, the Study Committee shall have the assistance of the Office of Legislative Operations. For purposes of providing legal assistance and drafting of legislation, the Study Committee shall have the assistance of the Office of Legislative Counsel. For the purpose of providing fiscal assistance, the Study Committee shall have the assistance of the Joint Fiscal Office.

(e) Report. On or before August 15, 2025, the Study Committee shall submit a written report to the General Assembly with its findings and any recommendations for legislative action. Any recommendation for legislative action shall be as draft legislation.

(f) Meetings.

(1) The Office of Legislative Counsel shall call the first meeting of the Study Committee.

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

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

(4) The Study Committee shall cease to exist on December 31, 2025.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Study Committee 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.

Sec. 11. TRANSITION; IMPLEMENTATION; APPROPRIATIONS;
POSITIONS

(a) The Secretary of Natural Resources shall initiate rulemaking, including pre-rulemaking, for the rules required in Sec. 5 of this act, 10 V.S.A. § 754 (river corridor development), not later than July 1, 2025. The rules shall be adopted on or before July 1, 2027.

(b) Prior to the effective date of the rules required in Sec. 5 of this act, 10 V.S.A. § 754 (river corridor development), the Secretary of Natural Resources shall continue to implement the Vermont Flood Hazard Area and River Corridor Rule as that rule existed on July 1, 2024 for development exempt from municipal regulation in flood hazard areas and relevant river corridors.

(c) The Secretary of Natural Resources shall not require a permit under the rules required by 10 V.S.A. § 754 for development in a flood hazard area or mapped river corridor for development that has the same meaning as “development” under 44 C.F.R. § 59.1 for activities for which:

(1) all necessary local, State, or federal permits have been obtained prior to January 1, 2028 and the permit holder takes no subsequent act that would require a permit or registration under 10 V.S.A. chapter 32; or

(2) a complete application for all applicable local, State, and federal permits has been submitted on or before January 1, 2028, provided that the applicant does not subsequently file an application for a permit amendment that would require a permit under 10 V.S.A. chapter 32 and that substantial construction of the impervious surface or cleared area commences within two years following the date on which all applicable local, State, and federal permits become final.

(d) In addition to other funds appropriated to the Agency of Natural Resources in fiscal year 2025:

(1) the amount of \$300,000.00 shall be appropriated from the General Fund to fund two new positions to adopt the State Flood Hazard Area Standards required under Sec. 6 of this act and to assist municipalities in the adoption of the State Flood Hazard Area Standards; and

(2) the amount of \$225,000.00 is appropriated from the General Fund for the purpose of contracting costs necessary to support adoption of the State Flood Hazard Area Standards required under Sec. 6 of this act.

* * * Wetlands * * *

Sec. 12. 10 V.S.A. § 901 is amended to read:

§ 901. WATER RESOURCES MANAGEMENT POLICY

It is hereby declared to be the policy of the State that:

(1) the water resources of the State shall be protected; regulated; and, where necessary, controlled under authority of the State in the public interest and to promote the general welfare;

(2) the wetlands of the State shall be protected, regulated, and restored so that Vermont achieves a net gain of wetlands acreage; and

(3) regulation and management of the water resources of the State, including wetlands, should be guided by science, and authorized activities in water resources and wetlands should have a net environmental benefit to the State.

Sec. 13. 10 V.S.A. § 902(13) is added to read:

(13) “Dam removal” has the same meaning as in section 1080 of this title.

Sec. 14. 10 V.S.A. § 916 is amended to read:

§ 916. REVISION UPDATE OF VERMONT SIGNIFICANT WETLANDS INVENTORY MAPS

The Secretary shall revise the Vermont significant wetlands inventory maps to reflect wetland determinations issued under section 914 of this title and rulemaking by the panel under section 915 of this title. (a) On or before January 1, 2026, and not less than annually thereafter, the Agency of Natural Resources shall update the Vermont Significant Wetlands Inventory (VSWI) maps. The annual updates to the VSWI shall include integration of georeferenced shapefiles or similar files for all verified delineations performed within the State and submitted to the Agency of Natural Resources as part of a

permit application, as well as a wetlands determination issued under section 914 of this title and rulemaking conducted pursuant to section 915 of this title. The VSWI layer shall include integration of any additional town specific inventories of otherwise unmapped wetlands performed by consultants on the Agency's Wetland Consultant List if the consultant has presented the map to a municipality or the Agency of Natural Resources.

(b) On or before January 1, 2030, the Secretary of Natural Resources shall complete High Quality Wetlands Inventory (NWI) Plus level mapping for all of the tactical basins in the State. The high-quality mapping shall include a ground truthing component, as recommended by the U.S. Fish and Wildlife Service (USFWS). Once all tactical basins are mapped, the Agency shall evaluate the need for NWI Plus level map updates on a five-year cycle, simultaneously with updates to the corresponding tactical basin plan.

Sec. 15. 10 V.S.A. §§ 918 and 919 are added to read:

§ 918. NET GAIN OF WETLANDS; STATE GOAL; RULEMAKING

(a) On or before July 1, 2025, the Secretary of Natural Resources shall amend the Vermont Wetlands Rules pursuant to 3 V.S.A. chapter 25 to clarify that the goal of wetlands regulation and management in the State is the net gain of wetlands to be achieved through protection of existing wetlands and restoration of wetlands that were previously adversely affected. This condition shall not apply to wetland, river, and flood plain restoration projects, including dam removals.

(b) The Vermont Wetlands Rules shall prioritize the protection of existing intact wetlands from adverse effects. Where a permitted activity in a wetland will cause more than 5,000 square feet of adverse effects that cannot be avoided, the Secretary shall mandate that the permit applicant restore, enhance, or create wetlands or buffers to compensate for the adverse effects on a wetland. The amount of wetlands to be restored, enhanced, or created shall be calculated, at a minimum, by determining the acreage or square footage of wetlands permanently drained or filled as a result of the permitted activity and multiplying that acreage or square footage by two, to result in ratio of 2:1 restoration to wetland loss. Establishment of a buffer zone contiguous to a wetland shall not substitute for the restoration, enhancement, or creation of wetlands. Adverse impacts to wetland buffers shall be compensated for based on the effects of the impact on wetland function.

(c) At a minimum, the Wetlands Rules shall be revised to:

(1) Require an applicant for a wetland permit that authorizes adverse impacts to more than 5,000 square feet of wetlands to compensate for those impacts through restoration, enhancement, or creation of wetland resources.

Wetland, river, and floodplain restoration projects, including dam removal, shall be an allowed use within a wetland under this rule.

(2) Incorporate the net gain rule into requirements for permits issued after September 1, 2025.

(3) Establish a set of parameters and restoration ratios applicable to permittee-designed restored wetland restoration projects, including a minimum 2:1 ratio of restoration to loss to compensate for permanently filled or drained wetlands. These parameters shall include consideration of the following factors:

(A) the existing level of wetland function at the site prior to mitigation or restoration of wetlands;

(B) the amount of wetland acreage and wetland function lost as a result of the project;

(C) how the wetland acreage and functions will be restored at the proposed compensation site;

(D) the length of time before the compensation site will be fully functional;

(E) the risk that the compensation project may not succeed;

(F) the differences in the location of the adversely affected wetland and the wetland subject to compensation that affect the services and values offered; and

(G) the requirement that permittees conduct five years of post-restoration monitoring for the restored wetlands, at which time the Agency can decide if further action is needed.

(d) When amending the Vermont Wetlands Rules under this section, the Secretary shall establish a Vermont in-lieu fee (ILF) compensation program for wetlands impacts that may be authorized as compensation for an adverse effect on a wetland when the permittee cannot achieve restoration. The Secretary may implement a Vermont ILF compensation program through agreements with third-party entities such as the U.S. Army Corps of Engineers or environmental organizations, provided that any ILF monetary compensation authorized under the rules shall be expended on restoration, reestablishment, enhancement, or conservation projects within the State at the HUC 8 level of the adversely affected wetland when practicable.

§ 919. WETLANDS PROGRAM REPORTS

(a) On or before April 30, 2025, and annually thereafter, the Secretary of Natural Resources shall submit to the House Committee on Environment and Energy and to the Senate Committee on Natural Resources and Energy a report

on annual losses and gains of significant wetlands in the State. The report shall include:

(1) the location and acreage of Class II wetland and buffer losses permitted by the Agency in accordance with section 913 of this title, for which construction of the permitted project has commenced;

(2) the acreage of Class II wetlands and buffers gained through permit-related enhancement and restoration;

(3) the number of site visits and technical assistance calls conducted by the Agency of Natural Resources, the number of permits processed by the Agency, and any enforcement actions that were taken by the Agency or the Office of the Attorney General in the previous year for violations of this chapter; and

(4) an updated mitigation summary of the extent of wetlands restored on-site compared with compensation performed off-site, in-lieu fees paid, or conservation.

(b) On or before April 30, 2027, and every five years thereafter, the Agency of Natural Resources shall submit to the House Committee on Environment and Energy and to the Senate Committee on Natural Resources and Energy a comprehensive report on the status of wetlands in the State. The report shall include:

(1) an analysis of historical trends of wetlands, including data analyzing the projects for which wetland permits were issued by county and tactical basin;

(2) the results of each NWI Plus Mapping Project, including net acres mapped, dominant vegetative composition, connected tributaries, locations of confirmed ground truthing, if applicable, and any other hydrologic soil or vegetative observations or trends noted; and

(3) relevant updates related to Class I and Class II wetlands to include additional wetlands identified under these categories, their composition and general characteristics, potential threats, patterns of use, and other unique features.

Sec. 16. 10 V.S.A. § 1274(a) is amended to read:

(a) Notwithstanding any other provision or procedure set forth in this chapter, if the Secretary finds that any person has discharged or is discharging any waste or damaging the ecological functions of wetlands in violation of this chapter or chapter 37 of this title, or that any person has failed to comply with any provisions of any order or permit issued in accordance with this chapter or chapter 37 of this title, the Secretary may bring suit in the Superior Court in

any county where the discharge, damage to wetlands, or noncompliance has occurred to enjoin the discharge ~~and to~~, obtain compliance, and mandate restoration of damaged wetlands. The suit shall be brought by the Attorney General in the name of the State. The court may issue a temporary injunction or order in any such proceedings and may exercise all the plenary powers available to it in addition to the power to:

(1) Enjoin future discharges.

(2) Order the design, construction, installation, or operation of pollution abatement facilities or alternate waste disposal systems.

(3) Order the restoration of damaged wetlands. Wetlands damaged in violation of chapter 37 of this title may be ordered restored, enhanced, or created.

(4) Order the removal of all wastes discharged and the restoration of water quality.

~~(4)~~(5) Fix and order compensation for any public property destroyed, damaged, or injured or any aquatic or terrestrial biota harmed or destroyed. Compensation for fish taken or destroyed shall be deposited into the Fish and Wildlife Fund.

~~(5)~~(6) Assess and award punitive damages.

~~(6)~~(7) Levy civil penalties not to exceed \$10,000.00 a day for each day of violation.

~~(7)~~(8) Order reimbursement to any agency of federal, State, or local government from any person whose discharge caused governmental expenditures.

Sec. 17. APPROPRIATIONS

In addition to other funds appropriated to the Agency of Natural Resources in fiscal year 2025, the amount of \$300,000.00 shall be appropriated from the General Fund to fund two new positions to implement and comply with the requirements of Secs. 12–15 of this act.

* * * Dam Safety * * *

Sec. 18. 10 V.S.A. chapter 43 is amended to read:

CHAPTER 43. DAMS

§ 1079. PURPOSE

It is the purpose of this chapter to protect public safety and provide for the public good through the inventory, inspection, and evaluation of dams in the State.

§ 1080. DEFINITIONS

As used in this chapter:

(1) “Department” means the Department of Environmental Conservation.

* * *

(4) “Engineer” means a professional engineer licensed under Title 26 who has experience in the design and investigation of dams.

* * *

(6)(A) “Dam” means any artificial barrier, including its appurtenant works, that is capable of impounding water, other liquids, or accumulated sediments.

(B) “Dam” includes an artificial barrier that meets all of the following:

(i) previously was capable of impounding water, other liquids, or accumulated sediments;

(ii) was partially breached; and

(iii) has not been properly removed or mitigated.

(C) “Dam” ~~shall~~ does not mean:

(i) barriers or structures created by beaver or any other wild animal as that term is defined in section 4001 of this title;

(ii) transportation infrastructure that has no normal water storage capacity and that impounds water only during storm events;

(iii) an artificial barrier at a stormwater management structure that is regulated by the Agency of Natural Resources under chapter 47 of this title;

(iv) an underground or elevated tank to store water otherwise regulated by the Agency of Natural Resources;

(v) an agricultural waste storage facility regulated by the Agency of Agriculture, Food and Markets under 6 V.S.A. chapter 215; or

(vi) any other structure identified by the Department by rule.

(7) “Federal dam” means:

(A) a dam owned by the United States; or

(B) a dam subject to a Federal Energy Regulatory Commission license or exemption.

(8) “Intake structure” means a dam that is constructed and operated for the primary purposes of minimally impounding water for the measurement and withdrawal of streamflow to ensure use of the withdrawn water for snowmaking, potable water, irrigation, or other purposes approved by the Department.

(9) “Nonfederal dam” means a dam that is not a federal dam.

(10) “Dam removal” means all actions needed to eliminate the risk of dam failure-related inundation below the dam and include partial or complete structural removal to the extent that the dam is no longer capable of impounding water, liquid, or sediment.

§ 1081. JURISDICTION OF DEPARTMENT AND PUBLIC UTILITY COMMISSION

(a) Powers and duties. Unless otherwise provided, the powers and duties authorized by this chapter shall be exercised by the Department, ~~except that the Public Utility Commission shall exercise those powers and duties over nonfederal dams and projects that relate to or are incident to the generation of electric energy for public use or as a part of a public utility system of Environmental Conservation.~~ Nonfederal dams at which the generation of electric energy is subject to licensing jurisdiction under the Federal Power Act, 16 U.S.C. chapter 12, subchapter 1, and the dam structure is regulated separately from electric generation shall ~~not~~ be under the jurisdiction of the ~~Public Utility Commission~~ Department, except to the extent of regulation at those facilities related solely to electric generation under the Federal Power Act.

(b) Transfer of jurisdiction. ~~Jurisdiction over a nonfederal dam is transferred from the Department to the Public Utility Commission when the Public Utility Commission receives an application for a certificate of public good for electricity generation at that dam. Jurisdiction over a federal dam is transferred to the Department when the license or exemption for a federal dam expires or is otherwise lost; when a certificate of public good is revoked or otherwise lost; or when the Public Utility Commission denies an application for a certificate of public good.~~

(c) Transfer of records. ~~Upon transfer of jurisdiction as set forth in subsection (b) of this section and upon written request, the State agency having former jurisdiction over a dam shall transfer copies of all records pertaining to the dam to the agency acquiring jurisdiction~~ Upon transfer of jurisdiction of any dam from the Public Utility Commission to the Department, the Public Utility Commission shall transfer copies of all records pertaining to the subject dam, including record drawings, construction drawings, engineering investigations and analyses, photographs, inspection reports, design,

permitting, and emergency action planning documents and any other files pertaining to the subject dam, to the Department in digital and hardcopy format acceptable to the Department within 30 days following the jurisdictional transfer.

§ 1082. AUTHORIZATION

(a) No person shall construct, enlarge, raise, lower, remodel, reconstruct, or otherwise alter any nonfederal dam, pond, or impoundment or other structure that is or will be capable of impounding more than 500,000 cubic feet of water or other liquid after construction or alteration, or remove, breach, or otherwise lessen the capacity of an existing nonfederal dam that is or was capable of impounding more than 500,000 cubic feet within or along the borders of this State where land in this State is proposed to be overflowed, or at the outlet of any body of water within this State, unless authorized by the ~~State agency having jurisdiction so to do~~ Department, provided that an application for activities that require authorization under 30 V.S.A. § 248 also shall be approved by the Public Utility Commission. However, in the matter of flood control projects where cooperation with the federal government is provided for by the provisions of section 1100 of this title, that section shall control.

(b) For the purposes of this chapter, the volume a dam or other structure is capable of impounding is the volume of water or other liquid, including any accumulated sediments, controlled by the structure with the water or liquid level at the top of the lowest nonoverflow part of the structure.

(c) An intake structure in existence on July 1, 2018 that continues to operate in accordance with a valid Department permit or approval that contains requirements for inspection and maintenance subject to section 1105 of this title shall have a rebuttable presumption of compliance with the requirements of this chapter and rules adopted under this chapter, provided that no presumption of compliance shall apply if one or both of the following occur on or after July 1, 2018:

(1) the owner or operator of the intake takes an action that requires authorization under this section; or

(2) the Department issues an order under section 1095 of this title directing reconstruction, repair, removal, breaching, draining, or other action it considers necessary to improve the safety of the dam.

§ 1083. APPLICATION

(a) Any person who proposes to undertake an action subject to regulation pursuant to section 1082 of this title shall apply in writing to the ~~State agency having jurisdiction~~ Department. The application shall set forth:

- (1) the location; the height, length, and other dimensions; and any proposed changes to any existing dam;
- (2) the approximate area to be overflowed and the approximate number of or any change in the number of cubic feet of water to be impounded;
- (3) the plans and specifications to be followed in the construction, remodeling, reconstruction, altering, lowering, raising, removal, breaching, or adding to;
- (4) any change in operation and maintenance procedures; and
- (5) other information that the ~~State agency having jurisdiction~~ Department considers necessary to review the application.

(b) The plans and specifications shall be prepared under the supervision of an engineer.

§ 1084. DEPARTMENT OF FISH AND WILDLIFE; INVESTIGATION

The Commissioner of Fish and Wildlife shall investigate the potential effects on fish and wildlife habitats of any proposal subject to section 1082 of this title and shall certify the results to the ~~State agency having jurisdiction~~ Department prior to any hearing or meeting relating to the determination of public good and public safety.

§ 1085. NOTICE OF APPLICATION

Upon receipt of the application required by section 1082 of this title, the ~~State agency having jurisdiction~~ Department shall give notice to the legislative body of each municipality in which the dam is located and to all interested persons. The Department shall provide notice of and an opportunity for public comment in accordance with chapter 170 of this title.

~~(1) The Department shall proceed in accordance with chapter 170 of this title.~~

~~(2) For any project subject to its jurisdiction under this chapter, the Public Utility Commission shall hold a hearing on the application. The purpose of the hearing shall be to determine whether the project serves the public good as defined in section 1086 of this title and provides adequately for the public safety. The hearing shall be held in a municipality in the vicinity of the proposed project and may be consolidated with other hearings, including hearings under 30 V.S.A. § 248 concerning the same project. Notice shall be given at least 10 days before the hearing to interested persons by posting in the municipal offices of the towns in which the project will be completed and by publishing in a local newspaper.~~

§ 1086. DETERMINATION OF PUBLIC GOOD; CERTIFICATES

(a) “Public good” means the greatest benefit of the people of the State. In determining whether the public good is served, the ~~State agency having jurisdiction~~ Department shall give due consideration to public safety and, among other things, the effect the proposed project will have on:

(1) the quantity, kind, and extent of cultivated agricultural land that may be rendered unfit for use by or enhanced by the project, including both the immediate and long-range agricultural land use impacts;

(2) scenic and recreational values;

(3) fish and wildlife;

(4) forests and forest programs;

(5) [Repealed.]

(6) the existing uses of the waters by the public for boating, fishing, swimming, and other recreational uses;

(7) the creation of any hazard to navigation, fishing, swimming, or other public uses;

(8) the need for cutting clean and removal of all timber or tree growth from all or part of the flowage area;

(9) the creation of any public benefits;

(10) attainment of the Vermont water quality standards;

(11) any applicable State, regional, or municipal plans;

(12) municipal grand lists and revenues; and

(13) ~~public safety; and~~

(14) in the case of the proposed removal of a dam that formerly related to or was incident to the generation of electric energy, but that was not subject to a memorandum of understanding dated prior to January 1, 2006 relating to its removal, the potential for and value of future power production.

(b) If the ~~State agency having jurisdiction~~ Department finds that the project proposed under section 1082 of this title will serve the public good, and, in case of any waters designated by the Secretary as outstanding resource waters, will preserve or enhance the values and activities sought to be protected by designation, the agency shall issue its order approving the application. The order shall include conditions for attainment of water quality standards, as determined by the Agency of Natural Resources, and such other conditions as the ~~agency having jurisdiction~~ Department considers necessary to protect any

element of the public good listed in subsection (a) of this section. Otherwise it shall issue its order disapproving the application.

(c) ~~The State agency having jurisdiction~~ Department shall provide the applicant and interested persons with copies of its order.

(d) In the case of a proposed removal of a dam that is under the jurisdiction of the Department and that formerly related to or was incident to the generation of electric energy but that was not subject to a memorandum of understanding dated before January 1, 2006 relating to its removal, the Department shall consult with the Department of Public Service regarding the potential for and value of future power production at the site.

§ 1087. REVIEW OF PLANS AND SPECIFICATIONS

For any proposal subject to authorization under section 1082 of this title, the ~~State agency having jurisdiction~~ Department shall ~~employ~~ require an engineer to investigate the property, review the plans and specifications, and make additional investigations as the ~~State agency having jurisdiction~~ Department considers necessary to ensure that the project adequately provides for the public safety. The engineer conducting an investigation under this section shall be an employee of the Department or shall be operating under the supervision of the Department as an independent consultant hired by either the Department or the project proponent. The engineer shall report ~~his or her~~ the engineer's findings to the ~~State agency having jurisdiction~~ Department.

§ 1089. EMPLOYMENT OF ENGINEER

~~With the approval of the Governor, the State agency having jurisdiction may employ an engineer to investigate the property, review the plans and specifications, and make such additional investigation as the State agency shall deem necessary, and such engineer shall report to the State agency his or her findings in respect thereto~~ The Department shall employ engineers to perform the duties required under this chapter to adequately provide for public safety.

§ 1090. CONSTRUCTION SUPERVISION

The construction, alteration, or other action authorized in section 1086 of this title shall be supervised by an engineer employed by the applicant. Upon completion of the authorized project, the engineer shall ~~certify~~ provide confirmation to the ~~agency having jurisdiction~~ Department that the project has been completed in ~~conformance~~ general accordance with the approved plans and specifications and dam order conditions.

§ 1095. UNSAFE DAM; PETITION; HEARING; EMERGENCY

(a) On receipt of a petition signed by ~~no~~ not fewer than ~~ten~~ 10 interested persons or the legislative body of a municipality, the ~~State agency having~~

~~jurisdiction~~ Department shall, or upon its own motion it may, institute investigations by an engineer as described in section 1087 of this title regarding the safety of any existing nonfederal dam or portion of the dam of any size. The ~~agency~~ Department may fix a time and place for hearing and shall give notice in the manner it directs to all interested persons. The engineer shall present ~~his or her~~ the engineer's findings and recommendations at the hearing. After the hearing, if the Department finds that the nonfederal dam or portion of the dam as maintained or operated is unsafe or is a menace to people or property above or below the dam, it shall issue an order directing reconstruction, repair, removal, breaching, draining, or other action it considers necessary to improve the safety of the dam sufficiently to protect life and property as required by the ~~State agency having jurisdiction~~ Department.

(b) If, upon the expiration of ~~such a~~ a date as may be ordered, the person owning legal title to ~~such the~~ the dam or the owner of the land on which the dam is located has not complied with the order directing the reconstruction, repair, breaching, removal, draining, or other action of ~~such the~~ the unsafe dam, the ~~State agency having jurisdiction~~ Department may petition the Superior Court in the county in which the dam is located to enforce its order or exercise the right of eminent domain to acquire the rights that may be necessary to effectuate a remedy as the public safety or public good may require. If the order has been appealed, the court may prohibit the exercise of eminent domain by the ~~State agency having jurisdiction~~ Department pending disposition of the appeal.

(c) If, upon completion of the investigation described in subsection (a) of this section, the ~~State agency having jurisdiction~~ Department considers the dam to present an imminent threat to human life or property, it shall take whatever action it considers necessary to protect life and property and subsequently shall conduct the hearing described in subsection (a) of this section.

§ 1099. APPEALS

(a) Appeals of any act or decision of the Department under this chapter shall be made in accordance with chapter 220 of this title.

~~(b) Appeals from actions or orders of the Public Utility Commission may be taken in the Supreme Court in accord with 30 V.S.A. § 12.~~

* * *

§ 1105. INSPECTION OF DAMS

(a) Inspection; schedule. All nonfederal dams in the State shall be inspected according to a schedule adopted by rule by the ~~State agency having jurisdiction over the dam~~ Department.

(b) Dam inspection. A nonfederal dam in the State shall be inspected under one or both of the following methods:

(1) ~~The State agency having jurisdiction over a dam~~ Department may employ an engineer to make periodic inspections of nonfederal dams in the State to determine their condition and the extent, if any, to which they pose a possible or probable threat to life and property.

(2) ~~The State agency having jurisdiction~~ Department shall adopt rules pursuant to 3 V.S.A. chapter 25 to require an adequate level of inspection by an independent engineer.

(c) Dam safety reports. If a dam inspection report is completed by the ~~State agency having jurisdiction, the agency~~ Department, the Department shall provide the person owning legal title to the dam or the owner of the land on which the dam is located with a copy of the inspection report and shall make all inspection reports available on the Department website for public review. For dams owned by the State, the Department shall provide the inspection report to the designated point of contact for the dam at the State entity owning the dam and make the information available to the public on the Department website.

(d) Notice of unsafe State dam. Notwithstanding the timing for submission of a dam safety report under subsection (c) of this section, if the Department determines that a State dam is unsafe and in need of repair or removal, the Department shall immediately notify the designated point of contact of the State entity that owns the dam and make this information available to the public on the Department website.

§ 1106. UNSAFE DAM SAFETY REVOLVING LOAN FUND

(a) There is hereby established a special fund to be known as the Vermont Unsafe Dam Safety Revolving Loan Fund that shall be used to provide grants and loans to municipalities, nonprofit entities, and private individuals low- or zero-interest loans, including subsidized loans as established under subsection (b) of this section and the rules adopted under section 1110 of this title, pursuant to rules adopted by the Agency of Natural Resources, for the reconstruction, repair, removal, breaching, draining, or other action necessary to reduce the threat risk of a dam ~~or portion of a dam determined to be unsafe pursuant to section 1095 of this chapter.~~

(b) Funds from the Dam Safety Revolving Loan Fund shall be available for both emergency and nonemergency projects. To be eligible for a Dam Safety Loan, the dam shall meet the conditions associated with the funding type:

(1) Emergency funding. To provide emergency funding for critical, time-sensitive temporary safety or risk reduction measures such as reservoir

drawdown, partially or fully breaching the dam, stabilization or buttressing of the dam, including engineering and emergency action planning activities. To be eligible for emergency funding, the dam must meet the following criteria:

(A) The dam must be under the regulatory jurisdiction of the DEC Dam Safety Program, including dams owned by the State of Vermont.

(B) The dam must be in need of critical time-sensitive safety or risk reduction measures in order to protect public safety and property, or be a dam found to be unsafe or a menace to public safety under section 1095 of this title. The Dam Safety Program shall be able to access the fund on behalf of owners in cases of emergency, immediate need, or in the case of unwilling or unable dam owners.

(2) Nonemergency funding. For permanent safety or risk reduction projects such as repair, rehabilitation, or removal, including engineering, analyses, design, and construction. To be eligible for nonemergency funding, the dam must meet the following criteria:

(A) The dam must be under the regulatory jurisdiction of the DEC Dam Safety Program, excluding dams owned by the State of Vermont.

(B) The dam must be classified as a significant or high-hazard potential dam and in fair, poor, or unsatisfactory condition based on the last periodic or comprehensive inspection.

(C) For funding for nonemergency repair or rehabilitation projects, the dam owner shall provide an operation and maintenance plan and dam safety compliance schedule as well as financial information to show sufficient resources are available to maintain the dam and comply with the dam safety rules after the completion of repairs or the rehabilitation project.

(D) For funding for nonemergency construction, the applicant shall provide proof that applicable local, State, and federal permits have been obtained, including the State Dam Safety Order.

(E) To be eligible for nonemergency funding, an alternatives analysis of dam repair, rehabilitation, and removal options that considers an evaluation of risk reduction, dam safety and ecological resilience and public benefits considerations, and costs shall be completed, pursuant to the rule adopted by the Department.

(F) Under this subdivision (b)(2), only engineering, analysis, design, and construction that result in acceptable risk reduction are eligible for loan subsidy.

(c) The Fund created by this section shall be established and held separate and apart from any other funds or monies of the State and shall be used and

administered exclusively for the purposes set forth in this section. The funds shall be invested in the same manner as permitted for investment of funds belonging to the State or held in the Treasury. The Fund shall consist of the following:

(1) ~~Such~~ such sums as may be appropriated or transferred thereto from time to time by the General Assembly, the Emergency Board, or the Joint Fiscal Committee during such times as the General Assembly is not in session-;

(2) ~~Principal~~ principal and interest received from the repayment of loans made from the Fund-;

(3) ~~Capitalization~~ capitalization grants and awards made to the State by the United States of America for the purposes for which the Fund has been established-;

(4) ~~Interest~~ interest earned from the investment of Fund balances-;

(5) ~~Private~~ private gifts, bequests, and donations made to the State for the purposes for which the Fund has been established-; and

(6) ~~Other~~ other funds from any public or private source intended for use for any of the purposes for which the Fund has been established.

~~(e)~~(d) The Secretary may bring an action under this subsection or other available State and federal laws against the owner of the dam to seek reimbursement to the Fund for all loans made from the Fund pursuant to this section.

(e)(1) Annually, on or before January 31, the Department shall report to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy regarding operation and administration of the Dam Safety Program. The report shall include:

(A) details on all emergency and nonemergency loans made from the Dam Safety Fund during the previous year;

(B) a description of each project funded from the Dam Safety Fund, including dam name, town and waterbody in which the dam is located, hazard classification, dam condition, details of the repair or removal, year of the last and next Department inspection, project cost, loan amount, and repayment terms;

(C) for emergency loans, justification for the emergency and an explanation why action was needed to be undertaken immediately using State funds; and

(D) a projection of loan repayment income to the fund.

(2) The Department shall post reports made under this subsection to its website on the same date the report is submitted to the General Assembly.

§ 1107. HAZARD POTENTIAL CLASSIFICATIONS

~~(a) The State agency having jurisdiction over a nonfederal dam listed in the Vermont Dam Inventory~~ Department shall assess the hazard potential classification of ~~the dam~~ all nonfederal dams listed in the Vermont Dam Inventory based on the potential loss of human life, property damage, and economic loss that would occur in the event of the failure of the dam. There shall be four hazard potential classifications: high, significant, low, and minimal.

~~(b) The State agency having jurisdiction over a nonfederal dam on the Vermont Dam Inventory~~ Department may assess or reassess the hazard potential classification of the dam at any time.

* * *

§ 1110. RULEMAKING

The Commissioner of Environmental Conservation shall adopt rules to implement the requirements of this chapter for dams under the jurisdiction of the Department. The rules shall include:

(1) a standard or regulatory threshold under which a dam is exempt from the registration or inspection requirements of this chapter;

(2) standards for:

(A) the siting, design, construction, reconstruction, enlargement, modification, or alteration of a dam;

(B) operation and maintenance of a dam;

(C) inspection, monitoring, record keeping, and reporting;

(D) repair, breach, or removal of a dam;

(E) application for authorization under section 1082 of this title; and

(F) the development of an emergency action plan for a dam, including guidance on how to develop an emergency action plan, the content of a plan, and when and how an emergency action plan should be updated;

(3) criteria for the hazard potential classification of dams in the State;

(4) a process by which a person owning legal title to a dam or a person owning the land on which the dam is located shall register a dam and record the existence of the dam in the lands records; ~~and~~

(5) requirements for the person owning legal title to a dam or the person owning the land on which the dam is located to conduct inspections of the dam; and

(6) requirements for access to financing and subsidy from the Dam Safety Revolving Loan Fund, including the requirement that an alternatives analysis be performed by an engineering consultant hired by either the dam owner or the Department.

§ 1111. ~~NATURAL RESOURCES ATLAS; DAM STATUS~~

~~Annually on or before January 1, the Public Utility Commission shall submit to the Department updated inventory information from the previous calendar year for dams under the jurisdiction of the Public Utility Commission. [Repealed.]~~

Sec. 19. 2018 Acts and Resolves No. 161, Sec. 2, as amended by 2023 Acts and Resolves No. 79, Sec. 1, is further amended to read:

Sec. 2. DAM REGISTRATION PROGRAM REPORT

On or before January 1, ~~2025~~ 2026, the Department of Environmental Conservation shall submit a report to the House Committees on ~~Natural Resources, Fish, and Wildlife~~ Environment and Energy and on Ways and Means and the Senate Committees on Natural Resources and Energy and on Finance. The report shall contain:

(1) an evaluation of the dam registration program under 10 V.S.A. chapter 43;

(2) a recommendation on whether to modify the fee structure of the dam registration program;

(3) a summary of the dams registered under the program, organized by amount of water impounded and hazard potential classification; and

(4) an evaluation of any other dam safety concerns related to dam registration.

Sec. 20. 2018 Acts and Resolves No. 161, Sec. 3, as amended by 2023 Acts and Resolves No. 79, Sec. 2, is further amended to read:

Sec. 3. ADOPTION OF RULES

The Secretary of Natural Resources shall adopt the rules required under 10 V.S.A. § 1110 as follows:

(1) the rules required under 10 V.S.A. § 1110(1) (exemptions), § 1110(3) (emergency action plan), § 1110(4) (hazard potential classification), § 1110(5) (dam registration), and § 1110(6) (dam inspection) shall be adopted on or before July 1, 2020; and

(2) the rules required under 10 V.S.A. § 1110(2) (dam design standards) shall be adopted on or before July 1, 2024 ~~2025~~.

Sec. 21. DAM SAFETY DIVISION POSITIONS

In addition to other funds appropriated to the Agency of Natural Resources in fiscal year 2025:

(1) \$900,000.00 is appropriated from the General Fund for the purposes of funding six new permanent full-time classified positions in the Dam Safety Division of the Department of Environmental Conservation; and

(2) \$2,000,000.00 is appropriated from the General Fund for the purposes of implementation of the Dam Safety Revolving Loan Fund.

Sec. 22. STUDY COMMITTEE ON DAM EMERGENCY OPERATIONS PLANNING

(a) Creation. There is created the Study Committee on Dam Emergency Operations Planning to review and recommend how to improve regional emergency action planning for hazards caused by dam failure, including how to shift responsibility for emergency planning from individual municipalities to regional authorities, how to improve regional implementation of dam emergency response plans, and how to fund dam emergency action planning at the regional level.

(b) Membership. The Study Committee on Dam Emergency Operations Planning 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) one member of the Department of Environmental Conservation Dam Safety Program, who shall be appointed by the Governor;

(4) two members representing regional planning commissions in the State, who shall be appointed by the Committee on Committees;

(5) one member of the Division of Emergency Management, who shall be appointed by the Governor;

(6) two legal owners of a dam, one of whom shall own a dam capable of generating electricity, who shall be appointed by the Speaker upon recommendation of the Dam Safety Program of the Department of Environmental Conservation; and

(7) one or more emergency management director or incident commander from a municipality with experience in developing and carrying out an emergency operation plan.

(c) Powers and duties. The Study Committee on Dam Emergency Operations Planning shall:

(1) identify those dams in the State that are classified as high-hazard dams;

(2) summarize the existing responsibilities of individual municipalities to prepare for and implement existing emergency response plans, including how those responsibilities are funded and whether placing responsibility with individual municipalities is appropriate;

(3) identify the regional planning commissions in which a dam identified under subdivision (1) of this subsection are located;

(4) recommend the content for a regional emergency action plan for each dam identified under subdivision (1) of this subsection, including identifying necessary evacuations, how evacuees will be sheltered and provided care, and the location of emergency management centers for each dam;

(5) recommend who should prepare a regional emergency action plan for each dam identified under subdivision (1) of this subsection, including the basis for the recommendation and the role that regional planning commissions should play in the preparation of the plans;

(6) estimate the cost of the production of regional emergency action plans for dams; and

(7) estimate the cost for regional planning commissions and municipalities to implement an emergency action plan, including a recommended source of the funding.

(d) Assistance. For purposes of scheduling meetings and administrative support, the Study Committee shall have the assistance of the Office of Legislative Operations. For purposes of providing legal assistance and drafting of legislation, the Study Committee shall have the assistance of the Office of Legislative Counsel. For the purpose of providing fiscal assistance, the Study Committee shall have the assistance of the Joint Fiscal Office.

(e) Report. On or before December 15, 2024, the Study Committee shall submit a written report to the General Assembly with its findings and any recommendations for legislative action. Any recommendation for legislative action shall be submitted as draft legislation.

(f) Meetings.

(1) The Office of Legislative Counsel shall call the first meeting of the Study Committee.

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

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

(4) The Study Committee shall cease to exist on March 1, 2025.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Study Committee 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.

Sec. 23. DETERMINATION OF FEDERAL ENERGY REGULATORY COMMISSION (FERC) JURISDICTION

Nonfederal hydroelectric projects without a valid pre-1920 license may be subject to the Federal Energy Regulatory Commission's (FERC) jurisdiction and may require a license from FERC to operate. By July 31, 2025, the Department of Environmental Conservation, in coordination with the Public Utility Commission, shall file petitions for a Declaratory Order from FERC to determine whether projects currently under the Public Utility Commission's jurisdiction fall under FERC's hydroelectric licensing jurisdiction. The Public Utility Commission shall provide notice to the dam owner when a petition is filed with FERC.

Sec. 24. TRANSITION; DAMS

(a) On or before July 1, 2028, the Department of Environmental Conservation shall assume jurisdiction under 10 V.S.A. chapter 43 of all dams within the jurisdiction of the Public Utility Commission as of July 1, 2024.

(b) On or before January 15, 2026 and annually thereafter until the Department of Environmental Conservation has assumed jurisdiction under 10 V.S.A. chapter 43 over all dams from the Public Utility Commission, the Department of Environmental Conservation shall report to the Senate

Committee on Natural Resources and Energy and the House Committee on Environment and Energy regarding progress in preparation for transfer of jurisdiction of the dams from the Public Utility Commission to the Department of Environmental Conservation.

(c) Notwithstanding the effective date of Sec. 18 of this act (transfer of dam safety jurisdiction), the Public Utility Commission shall retain jurisdiction over dams within its control as of July 1, 2024 until the Department of Environmental Conservation assumes the jurisdiction of each dam as required by subsection (a) of this section. While the Public Utility Commission continues to exercise authority under 10 V.S.A. chapter 43, as it existed on June 30, 2024, the Public Utility Commission shall apply the dam design standard rules as adopted by the Department of Environmental Conservation.

(d) The rulemaking required under Sec. 18 (dam safety transfer) of this act under 10 V.S.A. § 1110(6) and (7) shall be completed on or before July 1, 2027.

(e) Funding from the Dam Safety Revolving Fund, as amended by Sec. 18 of this act (dam safety transfer) shall be available for nonemergency use upon the completion of rulemaking required under 10 V.S.A. §1110 (6) and (7).

* * * Basin Planning * * *

Sec. 25. 10 V.S.A. § 1253(d) is amended to read:

(d)(1) Through the process of basin planning, the Secretary shall determine what degree of water quality and classification should be obtained and maintained for those waters not classified by the Board before 1981 following the procedures in sections 1254 and 1258 of this title. Those waters shall be classified in the public interest. The Secretary shall prepare and maintain an overall surface water management plan to assure that the State water quality standards are met in all State waters. The surface water management plan shall include a schedule for updating the basin plans. The Secretary, in consultation with regional planning commissions and the Natural Resources Conservation Council, shall revise all 15 basin plans and update the basin plans on a five-year rotating basis. On or before January 15 of each year, the Secretary shall report to the House Committees on Agriculture, Food Resiliency, and Forestry and on Natural Resources, Fish, and Wildlife Environment and Energy and to the Senate Committees on Agriculture and on Natural Resources and Energy regarding the progress made and difficulties encountered in revising basin plans. The report shall include a summary of basin planning activities in the previous calendar year, a schedule for the production of basin plans in the subsequent calendar year, and a summary of actions to be taken over the subsequent three years. 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.

(2) In developing a basin plan under this subsection, the Secretary shall:

(A) identify waters that should be reclassified outstanding resource waters or that should have one or more uses reclassified under section 1252 of this title;

(B) identify wetlands that should be reclassified as Class I wetlands;

(C) identify projects or activities within a basin that will result in the protection and enhancement of water quality;

* * *

(J) provide for public notice of a draft basin plan; ~~and~~

(K) provide for the opportunity of public comment on a draft basin plan; and

(L) identify opportunities to mitigate impacts of severe precipitation events on communities through implementation of nature-based restoration projects or practices that increase natural flood water attenuation and storage.

* * * Expanded Polystyrene Foam * * *

Sec. 26. 10 V.S.A. chapter 47, subchapter 2B is added to read:

Subchapter 2B. Expanded Polystyrene Foam

§ 1321. DEFINITIONS

As used in this subchapter:

(1) “Buoy” means any float or marker that is attached to a mooring anchor and either is suitable for attachment to a boat through the use of a pennant or other device or facilitates the attachment of the boat to the mooring anchor.

(2) “Dock” means an unenclosed structure secured to land, land under waters, or a mooring or a floating structure that is used for mooring boats or for recreational activities, such as a swimming, fishing, or sunbathing platform. A dock includes a structure that is partially enclosed or has two or more levels.

(3) “Encapsulated” means a protective covering or physical barrier between the polystyrene device and the water.

(4) “Expanded polystyrene foam” means a thermoplastic petrochemical material utilizing the styrene monomer that is processed according to multiple techniques, including fusion of polymer spheres, injection molding, form molding, and extrusion-blow molding.

(5) "Floating structure" means a structure constructed on or in a water of the State that is supported by flotation and is secured in place by a piling or mooring anchor, including boathouses, fueling structures, floating homes, marinas, walkways, or boarding platforms.

(6) "Mooring anchor" means any anchor or weight that is designed to:

(A) rest on the land under water or be buried in the land under water;

(B) be attached to a buoy or floating structure by a chain, rope, or other mechanism; and

(C) be left in position permanently or on a seasonal basis.

§ 1322. INSTALLATION, REPAIR, REMOVAL, AND SALE OF BUOYS, DOCKS, OR FLOATING STRUCTURES

(a) Encapsulation required. Expanded polystyrene foam used for flotation, including buoys, docks, or floating structures, shall be encapsulated by a protective covering or shall be designed to prevent the expanded polystyrene foam from disintegrating into the water.

(b) Prohibition; unencapsulated polystyrene and open-cell (beaded) polystyrene; repair. No person shall use unencapsulated polystyrene or open-cell (beaded) polystyrene for the installation of a new buoy, dock, or floating structure on the waters of the State. Unencapsulated polystyrene materials and open-cell beaded polystyrene shall not be used for the repair of buoys, docks, or floating structures on waters of the State.

(c) Methods of encapsulation.

(1) Encapsulation of a buoy, dock, or floating structure required under subsection (a) of this section shall completely cover or be a physical barrier between the expanded polystyrene foam and the water. Small gaps up to 0.75-inch-diameter ballast holes are permitted in the physical barrier or covering provided they are 0.1 percent or less of the square footage of the buoy, dock, or floating structure.

(2) All materials and methods of encapsulation shall provide an effective physical barrier between the expanded polystyrene foam and the water for a period not less than 10 years. Any fasteners used to hold encapsulation materials together shall be effectively treated or be of a form resistant to corrosion and decay.

(d) Disposal. Irreparable encapsulated polystyrene, unencapsulated polystyrene, and irreparable encapsulated open-cell (beaded) polystyrene used for flotation, including buoys, docks, or floating structures, shall be properly disposed of in an approved manner.

(e) Sale or distribution. No person shall sell, offer for sale, or otherwise distribute for compensation within the State dock floats, mooring buoys, or anchor or navigation markers made, in whole or in part, from expanded polystyrene foam that is:

(1) not wholly encapsulated or encased within a more durable material; or

(2) open-cell (beaded) polystyrene, including materials that are encapsulated and unencapsulated.

§ 1323. NUISANCE

The use of unencapsulated polystyrene as a flotation device in waters of the State, including in any dock system, float, mooring system, or buoy, is declared a nuisance and public health hazard and may be prosecuted as provided in the Vermont Revised Statutes.

§ 1324. RULEMAKING

The Secretary may adopt rules to implement the requirements of this subchapter.

Sec. 27. APPROPRIATIONS

The amount of \$50,000.00 shall be appropriated from the General Fund to the Department of Environmental Conservation to support education and outreach regarding the requirements and prohibitions for the use of expanded polystyrene foam or open-cell (beaded) polystyrene in waters of the State.

* * * Floodplain Management; Use Value Appraisal Program * * *

Sec. 28. STUDY COMMITTEE ON ENROLMENT OF FLOODPLAIN MANAGEMENT LAND IN USE VALUE APPRAISAL; REPORT

(a) Creation. There is created the Study Committee on Enrolling Floodplain Management Land in the Use Value Appraisal Program to determine whether or how to authorize the enrollment of land designated for floodplain management in the Use Value Appraisal (UVA) Program.

(b) Membership. The 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 Director of Property Valuation and Review or designee;

(4) the Director of the Rivers Program within the Watershed Management Division at the Department of Environmental Conservation or designee;

(5) the Secretary of Agriculture, Food and Markets or designee;

(6) a member of the Current Use Advisory Board, who shall be appointed by the Speaker of the House; and

(7) a member of a statewide environmental organization, who shall be appointed by the Committee on Committees.

(c) Powers and duties. The Study Committee shall evaluate the following questions:

(1) whether and why real property managed to provide flood mitigation or flood resilience services should or should not be authorized to enroll in the UVA Program; and

(2) if the Study Committee recommends that real property that provides flood mitigation or flood resilience services should be allowed to enroll in the UVA Program, what should be the criteria for enrollment, what should be the use value rate for qualifying enrolled real property, and what should be the timeline for enrollment.

(d) Assistance. The Study Committee shall have the administrative, technical, legal, and fiscal assistance of the Department of Taxes.

(e) Report. On or before January 15, 2025, the Study Committee shall submit a written report to the Senate Committees on Finance and on Natural Resources and Energy and the House Committees on Ways and Means and on Environment and Energy with its findings and any recommendations for legislative action, including proposed legislative language.

(f) Meetings.

(1) The Director of Property Valuation and Review or designee shall call the first meeting of the Study Committee to occur on or before September 1, 2025.

(2) The Study 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 Study Committee shall cease to exist on March 1, 2025.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Study Committee 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 Department of Taxes.

* * * Effective Dates * * *

Sec. 29. EFFECTIVE DATES

(a) This section and Secs. 19 (dam registration report), 20 (dam design standard rules), and 23 (FERC petition) shall take effect on passage.

(b) All other sections shall take effect July 1, 2024, except that:

(1) in Sec. 18, 10 V.S.A. § 1106 (Dam Safety Revolving Loan Fund) shall take effect on passage;

(2) under Sec. 25 (basin planning), the requirement shall be effective for updated Tactical Basin Plans that commence on or after January 1, 2025; and

(3) in Sec. 26 (expanded polystyrene foam requirements), 10 V.S.A. § 1324 (ANR rulemaking) shall take effect on passage.

And that when so amended the bill ought to pass.

Senator Lyons, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Natural Resources and Energy with the following amendments thereto:

First: In Sec. 3, Department of Environmental Conservation; River Corridor Base Map; infill mapping; education and outreach, by striking out subsection (c) in its entirety

Second: In Sec. 10, Study Committee on State Administration of the National Flood Insurance Program, in subsection (b), by striking out subdivisions (1) and (2) in their entirety and by renumbering the remaining subdivisions in subsection (b) to be numerically correct

and in Sec. 10, by striking out the newly renumbered subdivision (b)(3) in its entirety and inserting in lieu thereof of a new subdivision (b)(3) to read as follows:

(3) two members to represent Vermont municipalities, one member from a municipality with a population of 5,000 or more persons, appointed by the Committee on Committees, and one member from a municipality with a

population of fewer than 5,000 persons, appointed by the Speaker of the House.

and in Sec. 10, by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(d) Assistance. For purposes of scheduling meetings, administrative support, legal assistance, and fiscal assistance, the Study Committee shall have the assistance of the Agency of Natural Resources.

and in Sec. 10, in subdivision (f)(1), after “(1) The” and before “shall call the first meeting” by striking out “Office of Legislative Counsel” and inserting in lieu thereof Secretary of Natural Resources or designee

and in Sec. 10, by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read as follows:

(g) Compensation and reimbursement. 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.

Third: In Sec. 11, transition; implementation; appropriations; positions, by striking out subsection (d) in its entirety

Fourth: By striking out Sec. 17, appropriations, in its entirety and inserting in lieu thereof the following:

Sec. 17. [Deleted.]

Fifth: By striking out Sec. 21, Dam Safety Division Positions, in its entirety and inserting in lieu thereof the following:

Sec. 21. [Deleted.]

Sixth: In Sec. 22, Study Committee on Dam Emergency Operations Planning, in subsection (b), by striking out subdivisions (1) and (2) in their entirety and by renumbering the remaining subdivisions in subsection (b) to be numerically correct

and in Sec. 22, by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(d) Assistance. For purposes of scheduling meetings, administrative support, legal assistance, and fiscal assistance, the Study Committee shall have the assistance of the Agency of Natural Resources.

and in Sec. 22, in subdivision (f)(1), after “(1) The” and before “shall call the first meeting” by striking out Office of Legislative Counsel and inserting in lieu thereof Secretary of Natural Resources or designee

and in Sec. 22, by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read as follows:

(g) Compensation and reimbursement. 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.

Seventh: In Sec. 24, transition; dams, in subsection (d), after “§ 1110(6)” and before “shall be completed” by striking out “and (7)”

Eighth: By striking out Sec. 27, appropriations, in its entirety and inserting in lieu thereof the following:

Sec. 27. [Deleted.]

Ninth: In Sec. 28, Study Committee on Enrollment of Floodplain Management Land in Use Value Appraisal; report, in subsection (b), by striking out subdivisions (1) and (2) in their entireties and by renumbering the remaining subdivisions in subsection (b) to be numerically correct

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of the Committee on Natural Resources and Energy was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy, as amended? was agreed to.

Thereupon, third reading was ordered on a roll call, Yeas, 24 Nays, 4.

Senator Bray 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, Champion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, White, Wrenner.

Those Senators who voted in the negative were: Brock, Ingalls, Weeks, *Williams.

Those Senators absent and not voting were: Mazza, Norris.

*Senator Williams explained his vote as follows:

“Thank you, Mr. President,

"I rise to thank the Committee on Natural Resources and Energy and the work that they have done, as well as the Committee on Appropriations. But I also want to make a statement that the "long pole in the tent" and that is from a former life I lived, is planning. And one of the things that we need to do is sit down and come up with a vision within the next five years where we are going to go and look at how we fund things to make sure we get the funding priority put in the right place."

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, March 21, 2024.

THURSDAY, MARCH 21, 2024

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bill Referred to Committee on Appropriations

S. 304.

Senate 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 Vermont's career and technical education programs.

Bills Passed

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

S. 150. An act relating to automobile insurance.

S. 183. An act relating to planning for the Agency of Health Care Administration.

S. 213. An act relating to the regulation of wetlands, river corridor development, and dam safety.

S. 246. An act relating to amending the Vermont basic needs budget and livable wage.

S. 305. An act relating to miscellaneous changes related to the Public Utility Commission.

Bill Passed in Concurrence**H. 801.**

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

An act relating to approval of the adoption of the charter of the Town of Waterbury.

House Proposal of Amendment Concurred In**S. 18.**

House proposal of amendment to Senate bill entitled:

An act relating to banning flavored tobacco products and e-liquids.

Was taken up.

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

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Tobacco use is costly. Vermont spends more than \$400 million annually to treat tobacco-caused illnesses, including more than \$90 million each year in Medicaid expenses. This translates into a tax burden each year of over \$1,000.00 per Vermont household. Smoking-related productivity losses add another \$576 million in additional costs each year.

(2) Youth tobacco use is growing due to e-cigarettes. Seven percent of Vermont high school students smoke, but if e-cigarette use is included, 28 percent of Vermont youths use some form of tobacco product. More than one in four Vermont high school students now uses e-cigarettes. Use more than doubled among this age group, from 12 percent to 26 percent, between 2017 and 2019.

(3) Menthol cigarette use is more prevalent among persons of color who smoke than among white persons who smoke and is more common among lesbian, gay, bisexual, and transgender smokers than among heterosexual smokers. Eighty-five percent of African American adult smokers use menthol cigarettes, and of Black youths 12–17 years of age who smoke, seven out of 10 use menthol cigarettes. Tobacco industry documents show a concerted effort to target African Americans through specific advertising efforts.

Sec. 2. 7 V.S.A. chapter 40 is amended to read:

CHAPTER 40. TOBACCO PRODUCTS

§ 1001. DEFINITIONS

As used in this chapter:

(1) “Bidis” or “Beedies” means a product containing tobacco that is wrapped in temburni leaf (diospyros melanoxylon) or tendu leaf (diospyros exculpra), or any other product that is offered to, or purchased by, consumers as bidis or beedies.

(2) “Board” means the Board of Liquor and Lottery.

(3) “Characterizing flavor” means a taste or aroma, other than the taste or aroma of tobacco, imparted either prior to or during consumption of a tobacco product or tobacco substitute, or a component part or byproduct of a tobacco product or tobacco substitute. The term includes tastes or aromas relating to any fruit, chocolate, vanilla, honey, maple, candy, cocoa, dessert, alcoholic beverage, mint, menthol, wintergreen, herb or spice, or other food or drink, or to any conceptual flavor that imparts a taste or aroma that is distinguishable from tobacco flavor but may not relate to any particular known flavor. The term also includes induced sensations, such as those produced by synthetic cooling agents, regardless of whether the agent itself imparts any taste or aroma.

(4) “Child-resistant packaging” means packaging that is designed or constructed to be significantly difficult for children under five years of age to open or obtain a toxic or harmful amount of the substance in the container within a reasonable time and not difficult for normal adults to use properly but does not mean packaging that all children under five years of age cannot open or obtain a toxic or harmful amount of the substance in the container within a reasonable time.

(5) “Cigarette” means:

(A) any roll of tobacco wrapped in paper or any substance not containing tobacco; and

(B) any roll of tobacco wrapped in a substance containing tobacco that, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subdivision (A) of this subdivision (5).

~~(2)(6)~~ “Commissioner” means the Commissioner of Liquor and Lottery.

~~(3) “Tobacco products” means cigarettes, little cigars, roll-your-own tobacco, snuff, cigars, new smokeless tobacco, and other tobacco products as defined in 32 V.S.A. § 7702.~~

~~(4) “Vending machine” means any mechanical, electronic, or other similar device that dispenses tobacco products for money.~~

(7) “E-liquid” means the solution, substance, or other material that contains nicotine and is used in or with a tobacco substitute, and that is heated or otherwise acted upon to produce an aerosol, vapor, or other emission to be inhaled or otherwise absorbed by the user. The term does not include cannabis products as defined in section 831 of this title or products that are regulated by the Cannabis Control Board.

(8) “E-liquid container or other container holding a liquid or gel substance containing nicotine” means a bottle or other container of an e-liquid containing nicotine or a nicotine liquid or other substance containing nicotine that is sold, marketed, or intended for use in a tobacco substitute. The term does not include a container containing nicotine in a cartridge that is sold, marketed, or intended for use in a tobacco substitute if the cartridge is prefilled and sealed by the manufacturer and not intended to be opened by the consumer.

(9) “Flavored e-liquid” means any e-liquid with a characterizing flavor. An e-liquid shall be presumed to be a flavored e-liquid if a licensee, a manufacturer, or a licensee’s or manufacturer’s agent or employee has made a statement or claim directed to consumers or the public, whether express or implied, that the product has a distinguishable taste or aroma other than the taste or aroma of tobacco.

(10) “Flavored tobacco product” means any tobacco product with a characterizing flavor. A tobacco product shall be presumed to be a flavored tobacco product if a licensee, a manufacturer, or a licensee’s or manufacturer’s agent or employee has made a statement or claim directed to consumers or the public, whether express or implied, that the product has a distinguishable taste or aroma other than the taste or aroma of tobacco.

(11) “Flavored tobacco substitute” means any tobacco substitute with a characterizing flavor. A tobacco substitute shall be presumed to be a flavored tobacco substitute if a licensee, a manufacturer, or a licensee’s or manufacturer’s agent or employee has made a statement or claim directed to consumers or the public, whether express or implied, that the product has a distinguishable taste or aroma other than the taste or aroma of tobacco.

(12) “Licensed wholesale dealer” means a wholesale dealer licensed under 32 V.S.A. chapter 205.

(13) “Little cigars” means any rolls of tobacco wrapped in leaf tobacco or any substance containing tobacco, other than any roll of tobacco that is a cigarette, and as to which 1,000 units weigh not more than three pounds.

(14) “Nicotine” means the chemical substance named 3-(1-Methyl-2-pyrrolidinyl)pyridine or C[10]H[14]N[2], including any salt or complex of nicotine, whether naturally or synthetically derived.

(15) “Proper proof of age” means a valid authorized form of identification as defined in section 589 of this title.

(16) “Retail dealer” means a person licensed pursuant to section 1002 of this title.

(17) “Roll-your-own tobacco” means any tobacco that, because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making cigarettes.

(18) “Snuff” means any finely cut, ground, or powdered tobacco that is not intended to be smoked, has a moisture content of not less than 45 percent, and is not offered in individual single-dose tablets or other discrete single-use units.

(5)(19) “Tobacco license” means a license issued by the Division of Liquor Control under this chapter permitting the licensee to engage in the retail sale of tobacco products.

(6) “Bidis” or “Beedies” means a product containing tobacco that is wrapped in temburni leaf (diospyros melanoxylon) or tendu leaf (diospyros exculpra), or any other product that is offered to, or purchased by, consumers as bidis or beedies.

(7)(20) “Tobacco paraphernalia” means any device used, intended for use, or designed for use in smoking, inhaling, ingesting, or otherwise introducing tobacco products, tobacco substitutes, e-liquids, or a combination of these, into the human body, or for preparing tobacco for smoking, inhaling, ingesting, or otherwise introducing into the human body, including devices for holding tobacco, rolling paper, wraps, cigarette rolling machines, pipes, water pipes, carburetion devices, bongs, and hookahs, and clothing or accessories adapted for use with a tobacco product, a tobacco substitute, an e-liquid, or tobacco paraphernalia.

(21) “Tobacco products” means cigarettes, little cigars, roll-your-own tobacco, snuff, cigars, new smokeless tobacco, and any other product manufactured from, derived from, or containing tobacco that is intended for human consumption by smoking, by chewing, or in any other manner.

(8)(22)(A) “Tobacco substitute” means products any product that is not a tobacco product, as defined in subdivision (21) of this section, and that meets one or both of the following descriptions:

(i) a product, including an electronic e-cigarettes cigarette or other electronic or battery-powered devices device, or any component, part, or accessory thereof, that contain or are contains or is designed to deliver nicotine or other substances into the body through the inhalation or other absorption of aerosol, vapor, or other emission and that have has not been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes; or

(ii) an oral nicotine product or any other item that is designed to deliver nicotine into the body, including a product or item containing or delivering nicotine that has been extracted from a tobacco plant or leaf.

(B) 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.

(23) “Vending machine” means any mechanical, electronic, or other similar device that sells or dispenses tobacco products, tobacco substitutes, e-liquids, tobacco paraphernalia, or a combination of these.

(24) “Wholesale dealer” means a person who imports or causes to be imported into the State any cigarettes, little cigars, roll-your-own tobacco, snuff, new smokeless tobacco, or other tobacco product for sale or who sells or furnishes any of these products to other wholesale dealers or retail dealers for the purpose of resale, but not by small quantity or parcel to consumers thereof.

§ 1002. LICENSE REQUIRED; APPLICATION; FEE; ISSUANCE

(a)(1) Except as provided in subsection (h) of this section, no person shall engage in the retail sale of tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia in the person’s place of business without a tobacco license obtained from the Division of Liquor Control.

* * *

(e) A person who sells tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia without obtaining a tobacco license and a tobacco substitute endorsement, as applicable, in violation of this section shall be guilty of a misdemeanor and fined not more than \$200.00 for the first offense and not more than \$500.00 for each subsequent offense.

(f) No individual under 16 years of age may sell tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia.

(g) No person shall engage in the retail sale of tobacco products, tobacco substitutes, ~~substances containing nicotine or otherwise intended for use with a tobacco substitute~~ e-liquids, or tobacco paraphernalia in the State unless the

person is a licensed wholesale dealer ~~as defined in 32 V.S.A. § 7702~~ or has purchased the tobacco products, tobacco substitutes, ~~substances containing nicotine or otherwise intended for use with a tobacco substitute~~ e-liquids, or tobacco paraphernalia from a licensed wholesale dealer.

(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.

* * *

§ 1003. SALE OF TOBACCO PRODUCTS; TOBACCO SUBSTITUTES;
E-LIQUIDS; TOBACCO PARAPHERNALIA; REQUIREMENTS;
PROHIBITIONS

(a)(1) A person shall not:

(A) sell or provide tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia to any person under 21 years of age; or

(B) knowingly enable the usage of tobacco products, tobacco substitutes, or e-liquids by a person under 21 years of age.

(2)(A) Except as otherwise provided in subdivision (B) of this subdivision (2), a person, including a retail dealer, who violates subdivision (1) of this subsection (a) shall be subject to a civil penalty of not more than \$500.00 for the first offense and not more than \$2,000.00 for any subsequent offense.

(B) An employee of a retail dealer who violates subdivision (1) of this subsection (a) in the course of employment shall be subject to a civil penalty of not more than \$100.00 for a first offense and not more than \$500.00 for any subsequent offense. This penalty shall be in addition to the penalty imposed on the retail dealer pursuant to subdivision (A) of this subdivision (2).

(C) An action under this subsection (a) shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours after the occurrence of the alleged violation.

(b) All vending machines selling or dispensing tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia, or a combination of these, are prohibited.

(c)(1) Persons holding a tobacco license may only display or store tobacco products or, tobacco substitutes, and e-liquids:

(A) behind a sales counter or in any other area of the establishment that is inaccessible to the public; or

(B) in a locked container.

(2) This subsection shall not apply to the following:

(A) a display of tobacco products, tobacco substitutes, or e-liquids that is located in a commercial establishment in which by law no person under 21 years of age is permitted to enter at any time;

(B) cigarettes in unopened cartons and smokeless tobacco in unopened multipack containers of 10 or more packages, any of which shall be displayed in plain view and under the control of a responsible employee so that removal of the cartons or multipacks from the display can be readily observed by that employee; or

(C) cigars and pipe tobacco stored in a humidor on the sales counter in plain view and under the control of a responsible employee so that the removal of these products from the humidor can be readily observed by that employee.

(d) The sale and the purchase of bidis is prohibited. A person who holds a tobacco license who sells bidis as prohibited by this subsection ~~shall be fined not more than \$500.00.~~ A or a person who purchases bidis from any source shall be fined subject to a civil penalty of not more than \$250.00 for a first offense and not more than \$500.00 for a subsequent offense.

(e) No person holding a tobacco license shall sell cigarettes or little cigars individually or in packs that contain fewer than 20 cigarettes or little cigars.

(f) As used in this section, ~~“little cigars” means any rolls of tobacco wrapped in leaf tobacco or any substance containing tobacco, other than any roll of tobacco that is a cigarette within the meaning of 32 V.S.A. § 7702(1), and as to which 1,000 units weigh not more than three pounds~~ “enable the usage of tobacco products, tobacco substitutes, or e-liquids” means creating a direct and immediate opportunity for a person to use tobacco products, tobacco substitutes, or e-liquids, or a combination of these.

§ 1004. PROOF OF AGE FOR THE SALE OF TOBACCO PRODUCTS;
TOBACCO SUBSTITUTES; E-LIQUIDS; TOBACCO
PARAPHERNALIA

(a) A person shall exhibit proper proof of ~~his or her~~ the person's age upon demand of a person licensed under this chapter, an employee of a licensee, or a law enforcement officer. If the person fails to provide proper proof of age, the licensee shall be entitled to refuse to sell tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia to the person. The sale or furnishing of tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia to a

person exhibiting proper proof of age shall be prima facie evidence of a licensee's compliance with section 1007 of this title.

~~(b) As used in this section, "proper proof of age" means a valid authorized form of identification as defined in section 589 of this title.~~

§ 1005. PERSONS UNDER 21 YEARS OF AGE; POSSESSION OF TOBACCO PRODUCTS, TOBACCO SUBSTITUTES, E-LIQUIDS, OR TOBACCO PARAPHERNALIA; MISREPRESENTING AGE OR PURCHASING TOBACCO PRODUCTS; PENALTY

(a)(1) A person under 21 years of age shall not possess, purchase, or attempt to purchase tobacco products, tobacco substitutes, e-liquids, 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, e-liquids, 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.

(2) A person under 21 years of age shall not misrepresent ~~his or her~~ the person's age to purchase or attempt to purchase tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia.

(b) A person who possesses tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia in violation of subsection (a) of this section shall be subject to having the tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia immediately confiscated and shall be further subject to a civil penalty of \$25.00. An action under this subsection shall be brought in the same manner as a traffic violation pursuant to 23 V.S.A. chapter 24.

(c) A person under 21 years of age who misrepresents ~~his or her~~ the person's age by presenting false identification to purchase tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia shall be fined not more than \$50.00 or provide up to 10 hours of community service, or both.

§ 1006. POSTING OF SIGNS

(a) A person licensed under this chapter shall post in a conspicuous place on the premises identified in the tobacco license a warning sign stating that the sale of tobacco products, tobacco substitutes, e-liquids, and tobacco paraphernalia to persons under 21 years of age is prohibited. The Board shall prepare the sign and make it available with the license forms issued under this chapter. The sign may include information about the health effects of tobacco and tobacco cessation services. The Board, in consultation with a

representative of the licensees when appropriate, is authorized to change the design of the sign as needed to maintain its effectiveness.

(b) A person violating this section shall be guilty of a misdemeanor and fined not more than \$100.00.

§ 1007. FURNISHING TOBACCO TO PERSONS UNDER 21 YEARS OF AGE; REPORT

~~(a) A person that sells or furnishes tobacco products, tobacco substitutes, or tobacco paraphernalia to a person under 21 years of age shall be subject to a civil penalty of not more than \$100.00 for the first offense and not more than \$500.00 for any subsequent offense. An action under this section shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours of the occurrence of the alleged violation. [Repealed.]~~

(b)(1) The Division of Liquor Control shall conduct or contract for compliance tests of tobacco licensees as frequently and as comprehensively as necessary to ensure consistent statewide compliance with the prohibition on sales to persons under 21 years of age of at least 90 percent for buyers who are between 17 and 20 years of age. An individual under 21 years of age participating in a compliance test shall not be in violation of section 1005 of this title.

(2) Any violation by a tobacco licensee of subsection 1003(a) of this title and this section after a sale violation or during a compliance test conducted within six months of a previous violation shall be considered a multiple violation and shall result in the minimum license suspension in addition to any other penalties available under this title. Minimum license suspensions for multiple violations shall be assessed as follows:

- | | |
|----------------------|----------------------|
| (A) two violations | two weekdays; |
| (B) three violations | 15-day suspension; |
| (C) four violations | 90-day suspension; |
| (D) five violations | one-year suspension. |

(3) The Division shall report to the House Committee on ~~General, Housing, Government Operations~~ and Military Affairs, the Senate Committee on Economic Development, Housing and General Affairs, and the ~~Tobacco Evaluation and Review Board~~ Substance Misuse Prevention Oversight and Advisory Council annually, on or before January 15, the methodology and results of compliance tests conducted during the previous year. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the required report to be made under this subdivision.

* * *

§ 1009. CONTRABAND AND SEIZURE

(a) Any cigarettes or other tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia that have been sold, offered for sale, or possessed for sale in violation of section 1003, 1010, or 1013 of this title, 20 V.S.A. § 2757, 32 V.S.A. § 7786, or 33 V.S.A. § 1919, and any commercial cigarette rolling machines possessed or utilized in violation of section 1011 of this title, shall be deemed contraband and shall be subject to seizure by the Commissioner, the Commissioner's agents or employees, the Commissioner of Taxes or any agent or employee of the Commissioner of Taxes, or by any law enforcement officer of this State when directed to do so by the Commissioner. ~~All e-cigarettes or other tobacco products~~ items seized under this subsection shall be destroyed.

* * *

§ 1010. INTERNET SALES

(a) ~~As used in this section:~~

(1) ~~“Cigarette” has the same meaning as in 32 V.S.A. § 7702(1).~~

(2) ~~[Repealed.]~~

(3) ~~“Licensed wholesale dealer” has the same meaning as in 32 V.S.A. § 7702(5).~~

(4) ~~“Little cigars” has the same meaning as in 32 V.S.A. § 7702(6).~~

(5) ~~“Retail dealer” has the same meaning as in 32 V.S.A. § 7702(10).~~

(6) ~~“Roll-your-own tobacco” has the same meaning as in 32 V.S.A. § 7702(11).~~

(7) ~~“Snuff” has the same meaning as in 32 V.S.A. § 7702(13).~~
~~[Repealed.]~~

(b) No person shall cause cigarettes, roll-your-own tobacco, little cigars, snuff, tobacco substitutes, ~~substances containing nicotine or otherwise intended for use with a tobacco substitute~~ e-liquids, or tobacco paraphernalia, ordered or purchased by mail or through a computer network, telephonic network, or other electronic network, to be shipped to anyone other than a licensed wholesale dealer or retail dealer in this State.

(c) No person shall, with knowledge or reason to know of the violation, provide substantial assistance to a person in violation of this section.

(d) A violation of this section is punishable as follows:

(1) A knowing or intentional violation of this section shall be punishable by imprisonment for not more than five years or a fine of not more than \$5,000.00, or both.

(2) In addition to or in lieu of any other civil or criminal remedy provided by law, upon a determination that a person has violated this section, the Attorney General may impose a civil penalty in an amount not to exceed \$5,000.00 for each violation. For purposes of this subsection, each shipment or transport of cigarettes, roll-your-own tobacco, little cigars, or snuff, tobacco substitutes, e-liquids, or tobacco paraphernalia shall constitute a separate violation.

* * *

§ 1012. LIQUID NICOTINE E-LIQUIDS AND OTHER SUBSTANCES CONTAINING NICOTINE; PACKAGING

(a) Unless specifically preempted by federal law, no person shall manufacture, regardless of location, for sale in; offer for sale in; sell in or into the stream of commerce in; or otherwise introduce into the stream of commerce in Vermont:

(1) any e-liquid containing nicotine or any other liquid or gel substance containing nicotine unless that product is contained in child-resistant packaging; or

(2) any nicotine liquid e-liquid container or other container holding a liquid or gel substance containing nicotine unless that container constitutes child-resistant packaging.

(b) As used in this section:

(1) ~~“Child-resistant packaging” means packaging that is designed or constructed to be significantly difficult for children under five years of age to open or obtain a toxic or harmful amount of the substance in the container within a reasonable time and not difficult for normal adults to use properly, but does not mean packaging that all children under five years of age cannot open or obtain a toxic or harmful amount of the substance in the container within a reasonable time.~~

(2) ~~“Nicotine liquid container” means a bottle or other container of a nicotine liquid or other substance containing nicotine that is sold, marketed, or intended for use in a tobacco substitute. The term does not include a container containing nicotine in a cartridge that is sold, marketed, or intended for use in a tobacco substitute if the cartridge is prefilled and sealed by the manufacturer and not intended to be opened by the consumer. [Repealed.]~~

§ 1013. FLAVORED TOBACCO SUBSTITUTES, FLAVORED E-LIQUIDS, AND MENTHOL TOBACCO PRODUCTS PROHIBITED

(a) No person shall engage in the retail sale of:

- (1) any flavored tobacco substitute;
- (2) any flavored e-liquid; or
- (3) any menthol-flavored tobacco product.

(b)(1) A person who violates subsection (a) of this section shall be subject to a civil penalty of not more than \$200.00 for the first offense and not more than \$500.00 for any subsequent offense.

(2) An action under this section shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours after the occurrence of the alleged violation.

§ 1014. SALE OF DISCOUNTED TOBACCO PRODUCTS, TOBACCO SUBSTITUTES, E-LIQUIDS, AND TOBACCO PARAPHERNALIA PROHIBITED

(a) As used in this section, “price reduction instrument” means any coupon, voucher, rebate, card, paper, note, form, statement, ticket, image, or other issue, whether in paper, digital, or any other form, used for commercial purposes to receive an article, product, service, or accommodation without charge or at a discounted price.

(b) No person shall do any of the following:

(1) sell or offer for sale a tobacco product, tobacco substitute, e-liquid, or tobacco paraphernalia to a consumer at a price lower than the price that was in effect at the time the seller purchased the item from the wholesale dealer;

(2) sell or offer for sale a tobacco product, tobacco substitute, e-liquid, or tobacco paraphernalia through any multipackage discount; or

(3) honor or accept a price reduction instrument in any transaction related to the sale of a tobacco product, tobacco substitute, e-liquid, or tobacco paraphernalia to a consumer.

(c) A person who violates subsection (b) of this section shall be subject to a civil penalty of not more than \$200.00 for the first offense and not more than \$500.00 for any subsequent offense. An action under this section shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours after the occurrence of the alleged violation.

Sec. 3. 4 V.S.A. § 1102(b) is amended to read:

(b) The Judicial Bureau shall have jurisdiction of the following matters:

* * *

(5) Violations of 7 V.S.A. § 1007 1003(a), relating to furnishing tobacco products, tobacco substitutes, e-liquids, and tobacco paraphernalia to a person under 21 years of age.

* * *

(33) Violations of 7 V.S.A. § 1013, relating to sale of flavored tobacco substitutes, flavored e-liquids, and menthol-flavored tobacco products.

(34) Violations of 7 V.S.A. § 1014, relating to sale of discounted tobacco products, tobacco substitutes, e-liquids, and tobacco paraphernalia.

Sec. 4. 7 V.S.A. § 661(c) is amended to read:

(c) The provisions of subsection (b) of this section shall not apply to a violation of subsection 1005(a) of this title, relating to purchase of tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia by a person under 21 years of age.

Sec. 5. 16 V.S.A. § 140 is amended to read:

§ 140. TOBACCO USE OF TOBACCO PRODUCTS, TOBACCO SUBSTITUTES, AND E-LIQUIDS PROHIBITED ON PUBLIC SCHOOL GROUNDS

No person shall be permitted to use tobacco products ~~or~~, tobacco substitutes, or e-liquids, as those terms are defined in 7 V.S.A. § 1001, on public school grounds or at public school sponsored functions. ~~Public school boards may adopt policies that include confiscation and appropriate referrals to law enforcement authorities.~~

Sec. 6. 18 V.S.A. § 4226 is amended to read:

§ 4226. MINORS; TREATMENT; CONSENT

(a)(1) If a minor 12 years of age or older is suspected to ~~be dependent upon~~ have a substance use disorder, including a dependence on regulated drugs as defined in section 4201 of this title, on alcohol, on nicotine, or on tobacco products or tobacco substitutes as defined in 7 V.S.A. § 1001, or to have venereal disease, or to be an alcoholic as defined in section 8401 of this title a sexually transmitted infection, and the finding of such ~~dependency, disease, or alcoholism~~ substance use disorder or infection is verified by a licensed ~~physician~~ health care professional, the minor may give:

(A) ~~his or her consent to medical treatment~~ health care services and hospitalization; and

(B) ~~in the case of a drug dependent or alcoholic person~~ an individual who has a substance use disorder, consent to nonmedical inpatient or outpatient treatment at a program approved by the Agency of Human Services to provide treatment for ~~drug dependency or alcoholism~~ substance use disorder if deemed necessary by the examining ~~physician for diagnosis or treatment of such dependency or disease or alcoholism~~ health care professional.

(2) Consent under this section shall not be subject to disaffirmance due to minority of the person consenting. The consent of the parent or legal guardian of a minor consenting under this section shall not be necessary to authorize care as described in this subsection.

(b) The parent, parents, or legal guardian shall be notified by the physician if the condition of a minor child requires immediate hospitalization as the result of ~~drug usage, alcoholism, or alcohol use~~ or for the treatment of a venereal disease sexually transmitted infection.

(c) As used in this section, "health care professional" means an individual licensed as a physician under 26 V.S.A. chapter 23 or 33, an individual licensed as a physician assistant under 26 V.S.A. chapter 31, or an individual licensed as a registered nurse or advanced practice registered nurse under 26 V.S.A. chapter 28.

Sec. 7. 18 V.S.A. § 4803(a) is amended to read:

(a) Creation. There is created the Substance Misuse Prevention Oversight and Advisory Council within the Department of Health to improve the health outcomes of all Vermonters through a consolidated and holistic approach to substance misuse prevention that addresses all categories of substances. The Council shall provide advice to the Governor and General Assembly for improving prevention policies and programming throughout the State and to ensure that population prevention measures are at the forefront of all policy determinations. The Advisory Council's prevention initiatives shall encompass all substances at risk of misuse, including:

(1) alcohol;

(2) cannabis;

(3) controlled substances, such as opioids, cocaine, and methamphetamines; and

(4) tobacco products and, tobacco substitutes, and e-liquids, as those terms are defined in 7 V.S.A. § 1001 ~~and substances containing nicotine or that are otherwise intended for use with a tobacco substitute.~~

Sec. 8. 32 V.S.A. § 7702 is amended to read:

§ 7702. DEFINITIONS

As used in this chapter unless the context otherwise requires:

* * *

(15) “Other tobacco products” means any product manufactured from, derived from, or containing tobacco that is intended for human consumption by smoking, by chewing, or in any other manner, ~~including~~. The term also includes 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, e-liquids, as defined in 7 V.S.A. § 1001; and delivery devices sold separately for use with a tobacco substitute or e-liquid, 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. 9. 18 V.S.A. § 9503 is amended to read:

§ 9503. VERMONT TOBACCO PREVENTION AND TREATMENT

(a) Except as otherwise specifically provided, the tobacco prevention and treatment program shall be administered and coordinated statewide by the Department of Health, pursuant to the provisions of this chapter. The program shall be comprehensive and research-based.

(b) The Department shall establish goals for reducing adult and youth smoking rates, including performance measures for each goal in conjunction with the Substance Misuse Prevention Oversight and Advisory Council established pursuant to section 4803 of this title. The services provided by a quitline approved by the Department of Health shall be offered and made available to any minor, upon ~~his or her~~ the minor's consent, who is a smoker or user of tobacco products, tobacco substitutes, or e-liquids, as those terms are defined in 7 V.S.A. § 1001.

(c) The Department of Liquor and Lottery shall administer the component of the program that relates to enforcement activities.

(d) The Agency of Education shall administer school-based programs.

(e) The Department shall pay all fees and costs of the surveillance and evaluation activities, including the costs associated with hiring a contractor to conduct an independent evaluation of the program.

Sec. 10. 33 V.S.A. § 1900 is amended to read:

§ 1900. DEFINITIONS

As used in this subchapter, unless otherwise indicated:

* * *

(10) “Tobacco” means all of the products listed in the definition of “tobacco products” in 7 V.S.A. § 1001(3).

* * *

Sec. 11. HEALTH EQUITY ADVISORY COMMISSION; MENTHOL TOBACCO PRODUCT BAN; REPORT

On or before January 15, 2025, in its annual report due pursuant to 18 V.S.A. § 252(e), the Health Equity Advisory Commission shall recommend to the General Assembly whether the sale of tobacco products containing menthol, including menthol cigarettes, should be banned in Vermont.

Sec. 12. TOBACCO SUBSTITUTES AND E-LIQUIDS; ADVERTISING RESTRICTIONS; REPORT

On or before December 1, 2024, the Office of the Attorney General shall report to the House Committees on Commerce and Economic Development and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare regarding whether and to what extent Vermont may legally restrict advertising and regulate the content of labels for tobacco substitutes, including oral nicotine products, and e-liquids in this State.

Sec. 13. DEPARTMENT OF HEALTH; VERMONT YOUTH RISK BEHAVIOR SURVEY; TOBACCO SALES; REPORT

On or before March 1, 2027, the Department of Health shall report to the House Committee on Human Services and the Senate Committee on Health and Welfare the results of the 2025 Vermont Youth Risk Behavior Survey that relate to youth use of tobacco products, tobacco substitutes, and e-liquids, along with a comparison of the rates of use from previous Vermont Youth Risk Behavior Surveys. In its report, the Department shall also provide data on retail sales of tobacco products, tobacco substitutes, and e-liquids during calendar years 2024, 2025, and 2026.

Sec. 14. DEPARTMENT OF HEALTH; SCHOOL-BASED USAGE AND CESSATION EFFORTS; DIVERSION TO TOBACCO CESSATION PROGRAM; REPORT

(a) The Department of Health shall collaborate with relevant school and community partners to survey and report on the use of tobacco products, tobacco substitutes, and e-liquids, as well as on nicotine and tobacco cessation efforts, in Vermont's schools.

(b) The Department of Health, in consultation with the Division of Liquor Control and the Court Diversion Program, shall develop one or more options for diversion to a tobacco cessation program as an alternative to the existing civil penalties and fines for a person under 21 years of age who possesses, purchases, or uses false identification to purchase tobacco products, tobacco substitutes, e-liquids, or tobacco paraphernalia under 7 V.S.A. § 1005.

(c) On or before January 15, 2026, the Department shall report to the House Committees on Human Services, on Education, and on Judiciary and the Senate Committees on Health and Welfare, on Education, and on Judiciary with its findings and recommendations regarding the use of tobacco products, tobacco substitutes, and e-liquids in schools; cessation efforts in schools; and options for one or more diversion programs as set forth in subsections (a) and (b) of this section.

Sec. 14a. INVESTIGATOR POSITION CREATED; APPROPRIATION;
REPORT

(a) One new permanent classified position, Investigator, is established in the Department of Liquor and Lottery to enforce, and to investigate potential violations of, Vermont laws relating to direct-to-consumer sales and delivery of alcohol and tobacco products, including 7 V.S.A. §§ 277, 279, 280, and 1010.

(b)(1) The sum of \$160,000.00 is appropriated to the Department of Liquor and Lottery from the Tobacco Litigation Settlement Fund in fiscal year 2025 to fund the Investigator position established in subsection (a) of this section.

(2) It is the intent of the General Assembly that the position established in subsection (a) of this section should be funded from the Tobacco Litigation Settlement Fund for fiscal years 2025 and 2026. It is also the intent of the General Assembly that, beginning in fiscal year 2027, the funding for the Investigator position should be built into base funding for the Department of Liquor and Lottery's budget, with the amount of the salary and benefits for the Investigator position offset by an equivalent amount of the revenue generated to the Department or to the Office of the Attorney General, or both, by the Investigator's activities in enforcing and in investigating violations of Vermont law, with the remainder of the revenue deposited into the General Fund.

(c) If the revenue generated by the Investigator's activities becomes insufficient to cover the cost of the position in the future, the Department of Liquor and Lottery shall propose eliminating the position as part of its next budget or budget adjustment presentation to the General Assembly.

(d)(1) On or before March 15, 2025, the Department of Liquor and Lottery shall provide an update to the House Committees on Government Operations and Military Affairs and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare regarding the status of its implementation of the new Investigator position.

(2) Annually on or before December 15, the Department of Liquor and Lottery shall report to the House Committees on Government Operations and Military Affairs and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare on the impact of the Investigator's activities on compliance with Vermont's laws relating to direct-to-consumer sales and delivery of alcohol and tobacco products.

Sec. 15. EFFECTIVE DATES

(a) Secs. 2 (7 V.S.A. chapter 40), 3 (4 V.S.A. § 1102(b); Judicial Bureau jurisdiction), 4 (7 V.S.A. § 661(c); penalties), 5 (16 V.S.A. § 140; use prohibited on school grounds), 7 (18 V.S.A. § 4803(a); Substance Misuse Prevention Oversight and Advisory Council), 8 (32 V.S.A. § 7702; definition for tobacco tax purposes), and 10 (33 V.S.A. § 1900; definition for medical assistance statutes) shall take effect on January 1, 2026.

(b) Secs. 1 (findings), 6 (18 V.S.A. § 4226; minor consent to treatment), 9 (18 V.S.A. § 9503; tobacco prevention and treatment), 11 (Health Equity Advisory Commission; menthol ban; report), 12 (advertising restrictions; report), 13 (Youth Risk Behavior Survey; tobacco sales; report), and 14 (school-based usage and cessation efforts; report) and this section shall take effect on passage.

(c) Sec. 14a (Investigator position created; appropriation; report) shall take effect on July 1, 2024, with the first report under subdivision (d)(2) due on or before December 15, 2025.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided, in the affirmative, on a roll call, Yeas 18, Nays 11.

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, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Kitchel, Norris, Sears, Starr, Vyhovsky, Weeks, Westman, Williams.

The Senator absent and not voting was: Mazza.

Bill Amended; Third Reading Ordered

S. 58.

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

An act relating to increasing the penalties for subsequent offenses for trafficking and dispensing or sale of a regulated drug with death resulting.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Big 12 Juvenile Offenses * * *

Sec. 1. 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.

(3) Any proceeding concerning a child who is alleged to have committed one of the following acts after attaining 16 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) using a firearm while committing a felony in violation of 13 V.S.A. § 4005, or an attempt to commit that offense;

(ii) trafficking a regulated drug in violation of 18 V.S.A. chapter 84, subchapter 1, or an attempt to commit that offense; or

(iii) aggravated stalking as defined in 13 V.S.A. § 1063(a)(3), or an attempt to commit that offense.

* * *

Sec. 2. 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)~~(11) 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:

* * *

(10) sexual assault as defined in 13 V.S.A. § 3252(a)(1) or (a)(2) or an attempt to commit that offense; or

(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(e) or an attempt to commit that offense.~~

* * *

* * * Raise the Age * * *

Sec. 3. 2018 Acts and Resolves No. 201, Secs. 17–19, are amended to read:

Sec. 17. [Deleted.]

Sec. 18. [Deleted.]

Sec. 19. [Deleted.]

Sec. 4. 2018 Acts and Resolves No. 201, Sec. 21, as amended by 2022 Acts and Resolves No. 160, Sec. 1, and 2023 Acts and Resolves No. 23, Sec. 12, is further amended to read:

Sec. 21. EFFECTIVE DATES

* * *

(d) ~~Secs. 17–19 shall take effect on July 1, 2024.~~ [Deleted.]

Sec. 5. 2020 Acts and Resolves No. 124, Secs. 3 and 7, are amended to read:

Sec. 3. [Deleted.]

Sec. 7. [Deleted.]

Sec. 6. 2020 Acts and Resolves No. 124, Sec. 12, as amended by 2022 Acts and Resolves No. 160, Sec. 2, and 2023 Acts and Resolves No. 23, Sec. 13, 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, 2024.~~ [Deleted.]

* * *

Sec. 7. 33 V.S.A. § 5201(d) is amended to read:

(d) Any proceeding concerning a child who is alleged to have committed any offense other than those specified in subsection 5204(a) of this title before attaining ~~19~~ 20 years of age shall originate in the Family Division of the Superior Court, provided that jurisdiction may be transferred in accordance with this chapter.

Sec. 8. 33 V.S.A. § 5203 is amended to read:

§ 5203. TRANSFER FROM OTHER COURTS

(a) If it appears to a Criminal Division of the Superior Court that the defendant was under ~~19~~ 20 years of age at the time the offense charged was alleged to have been committed and the offense charged is an offense not

specified in subsection 5204(a) of this title, that court shall forthwith transfer the proceeding to the Family Division of the Superior Court under the authority of this chapter, and the minor shall then be considered to be subject to this chapter as a child charged with a delinquent act.

* * *

(c) If it appears to the State's Attorney that the defendant was under ~~19~~ 20 years of age at the time the felony offense charged was alleged to have been committed and the felony charged is not an offense specified in subsection 5204(a) of this title, the State's Attorney shall file charges in the Family Division of the Superior Court, pursuant to section 5201 of this title. The Family Division may transfer the proceeding to the Criminal Division pursuant to section 5204 of this title.

* * *

Sec. 9. 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~~ 20 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)–(11) 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:

* * *

Sec. 10. 33 V.S.A. § 5103(c) is amended to read:

(c)(1) Except as otherwise provided by this title and by subdivision (2) of this subsection, jurisdiction over a child shall not be extended beyond the child's 18th birthday.

(2)(A) Jurisdiction over a child with a delinquency may be extended until six months beyond the child's:

(i) 19th birthday if the child was 16 or 17 years of age when ~~he or she~~ the child committed the offense; ~~or~~

(ii) 20th birthday if the child was 18 years of age when ~~he or she~~ the child committed the offense; or

(iii) 21st birthday if the child was 19 years of age when the child committed the offense.

* * *

Sec. 11. 33 V.S.A. § 5206 is amended to read:

§ 5206. CITATION OF ~~16- TO 18-YEAR-OLDS~~ 19-YEAR-OLDS

(a)(1) If a child was over 16 years of age and under ~~19~~ 20 years of age at the time the offense was alleged to have been committed and the offense is not specified in subsection (b) of this section, law enforcement shall cite the child to the Family Division of the Superior Court.

* * *

Sec. 12. BIMONTHLY PROGRESS REPORTS TO JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE

(a) On or before the last day of every other month from July 2024 through March 2025, the Department for Children and Families shall 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 on its progress toward implementing the requirement of Secs. 7–11 of this act that the Raise the Age initiative take effect on April 1, 2025. The progress reports required by this section shall describe the steps taken to implement the following goals:

- (1) establishing a secure residential facility;
- (2) expanding capacity for nonresidential treatment programs to provide community-based services;
- (3) ensuring that residential treatment programs are used appropriately and to their full potential;
- (4) expanding capacity for Balanced and Restorative Justice (BARJ) contracts;
- (5) expanding capacity for the provision of services to children with developmental disabilities;
- (6) establishing a stabilization program for children who are experiencing a mental health crisis;
- (7) enhancing long-term treatment for children;
- (8) programming to help children, particularly 18- and 19-year-olds, transition from youth to adulthood;

(9) developing district-specific data and information on family services workforce development, including turnover, retention, and vacancy rates; times needed to fill open positions; training opportunities and needs; and instituting a positive culture for employees;

(10) installation of a comprehensive child welfare information system;
and

(11) plans for and measures taken to secure funding for the goals listed in this section.

(b) Failure to meet one or more of the progress report elements listed in subsection (a) of this section shall not be a basis for extending the implementation of the Raise the Age initiative beyond April 1, 2025.

* * * Drug Crimes * * *

Sec. 13. 18 V.S.A. § 4201 is amended to read:

§ 4201. DEFINITIONS

* * *

(29) “Regulated drug” means:

- (A) a narcotic drug;
- (B) a depressant or stimulant drug, other than methamphetamine;
- (C) a hallucinogenic drug;
- (D) Ecstasy;
- (E) cannabis; or
- (F) methamphetamine; or
- (G) xylazine.

* * *

(48) “Fentanyl” means any quantity of fentanyl, including any compound, mixture, or preparation including salts, isomers, or salts of isomers containing fentanyl. “Fentanyl” also means fentanyl-related substances as defined in rules adopted by the Department of Health pursuant to section 4202 of this title.

(49) “Knowingly” means actual knowledge that one or more preparations, compounds, mixtures, or substances contain the regulated drug identified in the applicable section of this chapter, or consciously ignoring a substantial risk that one or more preparations, compounds, mixtures, or substances contain the regulated drug identified in the applicable section of this chapter.

(50) “Xylazine” means any compound, mixture, or preparation including salts, isomers, or salts of isomers containing N-(2,6-dimethylphenyl)-5,6-dihydro-4H-1,3-thiazin-2-amine.

Sec. 14. 18 V.S.A. § 4233b is added to read:

§ 4233b. XYLAZINE

(a) No person shall dispense or sell xylazine except as provided in subsection (b) of this section.

(b) The following are permitted activities related to xylazine:

(1) dispensing or prescribing for, or administration to, a nonhuman species a drug containing xylazine approved by the Secretary of Health and Human Services pursuant to section 512 of the Federal Food, Drug, and Cosmetic Act as provided in 21 U.S.C. § 360b;

(2) dispensing or prescribing for, or administration to, a nonhuman species permissible pursuant to section 512(a)(4) of the Federal Food, Drug, and Cosmetic Act as provided in 21 U.S.C. § 360b(a)(4);

(3) manufacturing, distribution, or use of xylazine as an active pharmaceutical ingredient for manufacturing an animal drug approved under section 512 of the Federal Food, Drug, and Cosmetic Act as provided in 21 U.S.C. § 360b or issued an investigation use exemption pursuant to section 512(j);

(4) manufacturing, distribution, or use of a xylazine bulk chemical for pharmaceutical compounding by licensed pharmacists or veterinarians; and

(5) any other use approved or permissible under the Federal Food, Drug, and Cosmetic Act.

(c) A person knowingly and unlawfully dispensing xylazine shall be imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling xylazine shall be imprisoned not more than five years or fined not more than \$100,000.00, or both.

Sec. 15. 18 V.S.A. § 4250 is amended to read:

§ 4250. SELLING OR DISPENSING A REGULATED DRUG WITH DEATH RESULTING

(a) If the death of a person results from the selling or dispensing of a regulated drug to the person in violation of this chapter, the person convicted of the violation shall be imprisoned not less than two years nor more than 20 years.

(b) This section shall apply only if the person's use of the regulated drug is the proximate cause of his or her the person's death. The fact that a dispensed or sold substance contains more than one regulated drug shall not be a defense under this section if the proximate cause of death is the use of the dispensed or sold substance containing more than one regulated drug. There shall be a permissive inference that the proximate cause of death is the person's use of the regulated drug if the regulated drug contains fentanyl.

(c)(1) Except as provided in subdivision (2) of this subsection, the two-year minimum term of imprisonment required by this section shall be served and may not be suspended, deferred, or served as a supervised sentence. The defendant shall not be eligible for probation, parole, furlough, or any other type of early release until the expiration of the two-year term of imprisonment.

(2) Notwithstanding subdivision (1) of this subsection, the court may impose a sentence that does not include a term of imprisonment or that includes a term of imprisonment of less than two years if the court makes written findings on the record that the sentence will serve the interests of justice.

Sec. 16. 18 V.S.A. § 4252a is added to read:

§ 4252a. UNLAWFUL DRUG ACTIVITY IN A DWELLING; FLASH CITATION; CONDITIONS OF RELEASE

(a) Except for good cause shown, a person cited or arrested for dispensing or selling a regulated drug in violation of this chapter shall be arraigned on the next business day after the citation or arrest if the alleged illegal activity occurred at a dwelling where the person is not a legal tenant.

(b) Unless the person is held without bail for another offense, the State's Attorney shall request conditions of release for a person subject to subsection (a) of this section. The court may include as a condition of release that the person is prohibited from coming within a fixed distance of the dwelling.

Sec. 17. 18 V.S.A. § 4254(j) is added to read:

(j) To encourage persons to seek medical assistance for someone who is experiencing an overdose, the Department of Health, in partnership with entities that provide education, outreach, and services regarding substance use disorder, shall engage in continuous efforts to publicize the immunity protections provided in this section.

* * * Effective Dates * * *

Sec. 18. EFFECTIVE DATES

(a) Secs. 1–6, 12–17, and this section shall take effect on July 1, 2024.

(b) Secs. 7–11 shall take effect on April 1, 2025.

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

“An act relating to public safety.”

And that when so amended the bill ought to pass.

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

Thereupon, third reading of the bill was ordered, on a roll call, Yeas 24, Nays 4.

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, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Sears, Starr, Watson, Weeks, Westman, Williams, Wrenner.

Those Senators who voted in the negative were: Gulick, Ingalls, Ram Hinsdale, Vyhovsky.

Those Senators absent and not voting were: Mazza, White.

Adjournment

On motion of Senator Baruth, the Senate adjourned until ten o'clock and thirty minutes in the morning.

FRIDAY, MARCH 22, 2024

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. 33

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 173. An act relating to prohibiting manipulating a child for the purpose of sexual contact.

H. 233. An act relating to licensure and regulation of pharmacy benefit managers.

H. 279. An act relating to the Uniform Trust Decanting Act.

H. 350. An act relating to the Uniform Directed Trust Act.

H. 606. An act relating to professional licensure and immigration status.

H. 614. An act relating to land improvement fraud and timber trespass.

H. 644. An act relating to access to records by individuals who were in foster care.

H. 664. An act relating to designating a State Mushroom.

H. 667. An act relating to the creation of the Vermont-Ireland Trade Commission.

H. 741. An act relating to health insurance coverage for colorectal cancer screening.

H. 794. An act relating to services provided by the Vermont Veterans' Home.

H. 867. An act relating to miscellaneous amendments to the laws governing alcoholic beverages and the Board of Liquor and Lottery.

H. 868. An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

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

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

H. 518. An act relating to the approval of amendments to the charter of the Town of Essex.

And has concurred therein.

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

J.R.S. 49. Joint resolution relating to weekend adjournment on March 22, 2024.

And has adopted the same in concurrence.

Bills Referred to Committee on Appropriations

Senate 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 severally referred to the Committee on Appropriations:

S. 259. An act relating to climate change cost recovery.

S. 310. An act relating to natural disaster government response, recovery, and resiliency.

Bills Referred

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

H. 173.

An act relating to prohibiting manipulating a child for the purpose of sexual contact.

To the Committee on Judiciary.

H. 233.

An act relating to licensure and regulation of pharmacy benefit managers.

To the Committee on Health and Welfare.

H. 279.

An act relating to the Uniform Trust Decanting Act.

To the Committee on Judiciary.

H. 350.

An act relating to the Uniform Directed Trust Act.

To the Committee on Judiciary.

H. 606.

An act relating to professional licensure and immigration status.

To the Committee on Government Operations.

H. 614.

An act relating to land improvement fraud and timber trespass.

To the Committee on Judiciary.

H. 644.

An act relating to access to records by individuals who were in foster care.

To the Committee on Government Operations.

H. 664.

An act relating to designating a State Mushroom.

To the Committee on Agriculture.

H. 667.

An act relating to the creation of the Vermont-Ireland Trade Commission.

To the Committee on Government Operations.

H. 741.

An act relating to health insurance coverage for colorectal cancer screening.

To the Committee on Health and Welfare.

H. 794.

An act relating to services provided by the Vermont Veterans' Home.

To the Committee on Government Operations.

H. 867.

An act relating to miscellaneous amendments to the laws governing alcoholic beverages and the Board of Liquor and Lottery.

To the Committee on Economic Development, Housing and General Affairs.

H. 868.

An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

To the Committee on Transportation.

Bill Amended; Third Reading Ordered**S. 258.**

Senator Bray, for the Committee on Natural Resources and Energy, to which was referred Senate bill entitled:

An act relating to the management of fish and wildlife.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Fish and Wildlife Board; Governance * * *

Sec. 1. 10 V.S.A. §§ 4041 and 4042 are amended to read:

§ 4041. DEPARTMENT OF FISH AND WILDLIFE; FISH AND WILDLIFE BOARD; MEMBERS, TERM, CHAIR

(a) There is hereby established a Department of Fish and Wildlife ~~that shall be administered by the Commissioner.~~ The Department shall be under the direction and supervision of a Commissioner appointed by the Secretary as

provided in 3 V.S.A. § 2851. In addition to the duties and powers provided under this chapter, the Commissioner shall have the powers and duties specified in 3 V.S.A. § 2852 and such additional duties as may be assigned to the Commissioner by the Secretary under 3 V.S.A. § 2853. The Commissioner shall implement the policy and purposes specified in section 4081 of this title where appropriate and to the extent that resources of the Department permit.

(b)(1) There is hereby established a Fish and Wildlife Board. The purpose of the Board shall be to serve in an advisory capacity to the Department of Fish and Wildlife in the establishment of Department rules and any policies therein regarding the management and conservation of wildlife in the State, except for establishment of rules and policies related to wildlife regulated under chapter 123 of this title.

(2) The Board shall consist of 14 15 members, one from each county, appointed by the Governor with the advice and consent of the Senate and one at large member. Five members of the Board shall be appointed by the Commissioner, five members of the Board shall be appointed by the Speaker of the House, and five members of the Board shall be appointed by the Committee on Committees. The members of the Board shall be appointed for a term of six years, or the unexpired portion thereof, and during their terms the 14 members appointed by county shall reside in the county from which they are appointed. In the event a member resigns or no longer resides in the county from which he or she the member was appointed, the Governor authority that appointed the member shall appoint a new member from that county for the unexpired portion of the term. Appointments shall be made in such a manner that either two or three terms shall expire each year. A member serving a full six-year term shall not be eligible for reappointment shall be eligible to serve a maximum of two full six-year terms. The Governor Commissioner shall biennially designate a chair.

(3) In order to be appointed to the Board, a person shall apply in writing to the appointing authority. The appointing authority shall acknowledge, in writing, the receipt of each application.

(4) In considering applicants to the Board, the appointing authority shall give due consideration to:

(A) the need for the Board members to have a history of involvement with and dedication to fish and wildlife, including a knowledge of fish and wildlife biology, ecology, and the ethics of fish and wildlife management;

(B) the need for the Board to have a balanced representation and include members of the public representing an approximately equal number of licensed users and nonlicensed users of wildlife; and

(C) coordinating their appointments to ensure the appropriate composition of the board as required by this subsection (b).

(5) As used in this subsection:

(A) “licensed user of wildlife” means a person who has held a Vermont hunting, fishing, or trapping license in each of the previous five years prior to appointment; and

(B) “nonlicensed user of wildlife” means a person who has not held a Vermont hunting, fishing, or trapping license in any of the previous five years prior to appointment.

(c) Upon appointment, each Board member shall receive training from the Department on wildlife management and hunting ethics, such as the North American Model of Wildlife Conservation; wildlife biology; coexistence with wildlife; the reduction of conflict between humans and wildlife; and the impacts of climate change on fish and wildlife.

(d) Upon the filing of a proposed rule with the Secretary of State pursuant to 3 V.S.A. § 838, the Department shall submit the proposed rule to the Board for its review. After a public hearing and an opportunity for the public to submit written comments, the Board shall consider whether a proposed rule is designed to maintain the best health, population, viewing opportunities, and utilization levels of the regulated species and of other necessary or desirable species that are ecologically related to the regulated species and whether the rules are adequately supported by investigation and research conducted by the Department. If the Board, by majority vote, determines that a proposed rule should be revised, it shall submit a written report to the Department setting forth its recommended revisions, and the reasons therefore, within 60 days following its receipt of a proposed rule. The Board shall include with its report the public comments it received. The Department shall consider fully any recommendations by the Board. If the Board’s recommendations are not included in the rule, the Department shall issue a written explanation of why it did not include the Board’s recommendations in the rule. The Board’s written report and the Department’s response thereto shall be included with the materials submitted to the Legislative Committee on Administrative Rules under 3 V.S.A. § 841.

§ 4042. COMMISSIONER; APPOINTMENT

The Commissioner shall be appointed pursuant to the provisions of 3 V.S.A. § 2851. The Commissioner shall also be Executive Secretary of the Board. [Repealed.]

Sec. 2. 10 V.S.A. § 4081 is amended to read:

§ 4081. POLICY

(a)(1) As provided by Chapter II, § 67 of the Constitution of the State of Vermont, the fish and wildlife of Vermont are held in trust by the State for the benefit of the citizens of Vermont and shall not be reduced to private ownership. The State of Vermont, in its sovereign capacity as a trustee for the citizens of the State, shall have ownership, jurisdiction, and control of all of the fish and wildlife of Vermont.

(2) The Commissioner of Fish and Wildlife shall manage and regulate the fish and wildlife of Vermont in accordance with the requirements of this part ~~and the rules of the Fish and Wildlife Board, including the Department of Fish and Wildlife rules on Non-game Management as set forth in Code of Vermont Rules 12-010-028. The protection, propagation control, management, and conservation of fish, wildlife, and fur-bearing animals in this State are in the interest of the public welfare. It is in the public welfare to protect, manage, and conserve the fish and wildlife of the State and the habitats in which they reside.~~ The State, through the Commissioner of Fish and Wildlife, shall safeguard the fish, ~~and~~ wildlife, and fur-bearing animals of the State for the people of the State, and the State shall fulfill this duty with a constant and continual vigilance.

~~(b) Notwithstanding the provisions of 3 V.S.A. § 2803, the Fish and Wildlife Board shall be the State agency charged with carrying out the purposes of this subchapter.~~

~~(e)~~ A healthy deer herd is ~~a primary goal~~ one of the most important goals of fish and wildlife management. The use of a limited unit open season on antlerless deer shall be implemented only after a scientific game management study by the Department of Fish and Wildlife supports such a season.

~~(d)~~(c) Annually, the Department shall update a scientific management study of the State deer herd. The study shall consider data provided by Department biologists and citizen testimony taken under subsection ~~(f)~~(e) of this section.

~~(e)~~(d) Based on the results of the updated management study and citizen testimony, the ~~Board~~ Department shall decide whether an antlerless deer hunting season is necessary and, if so, how many permits are to be issued. If the ~~Board~~ Department determines that an antlerless season is necessary, it shall adopt a rule creating one and the Department shall then administer an antlerless program.

~~(f)~~(e) Annually, the Department shall hold regional public hearings to receive testimony and data from concerned citizens about their knowledge and concerns about the deer herd. The ~~Board~~ Department shall identify the regions by rule.

(g)(f) If the ~~Board~~ Department finds that an antlerless season is necessary to maintain the health and size of the herd, the Department shall administer an antlerless deer program. Annually, the ~~Board~~ Department shall determine how many antlerless permits to issue in each wildlife management unit. For a nonrefundable fee of \$10.00 for residents and \$25.00 for nonresidents, a person may apply for a permit. Each person may submit only one application for a permit. The Department shall allocate the permits in the following manner:

(1) A Vermont landowner, as defined in section 4253 of this title, who owns 25 or more contiguous acres and who applies shall receive a permit for antlerless hunting in the management unit on which the land is located before any are given to people eligible under subdivision (2) of this subsection. If the land is owned by more than one individual, corporation, or other entity, only one permit shall be issued. Landowners applying for antlerless permits under this subdivision shall not, at the time of application or thereafter during the regular hunting season, post their lands except under the provisions of section 4710 of this title. As used in this section, "post" means any signage that would lead a reasonable person to believe that hunting is restricted on the land. If the number of landowners who apply exceeds the number of permits for that district, the Department shall award all permits in that district to landowners by lottery.

(2) Permits remaining after allocation pursuant to subdivision (1) of this subsection shall be issued by lottery.

(3) Any permits remaining after permits have been allocated pursuant to subdivisions (1) and (2) of this subsection shall be issued by the Department for a \$10.00 fee for residents. Ten percent of the remaining permits may be issued to nonresident applicants for a \$25.00 fee.

Sec. 3. 10 V.S.A. § 4082 is amended to read:

§ 4082. VERMONT FISH AND WILDLIFE REGULATIONS

(a) The ~~Board~~ Department may adopt rules, under 3 V.S.A. chapter 25, to be known as the "Vermont Fish and Wildlife Regulations" for the management of all wildlife and the regulation of fish and wild game and the taking thereof except as otherwise specifically provided by law. The rules shall be designed to maintain the best health, population, and utilization levels of ~~the regulated species and of other necessary or desirable species that are ecologically related to the regulated species~~ all wildlife. The rules shall be supported by ~~investigation and research conducted by the Department on behalf of the Board~~ the best science available through Department and peer reviewed research.

(b)(1) Except as provided for under subdivision (2) of this subsection, the ~~Board~~ Department annually may adopt rules relating to the management of migratory game birds, and shall follow the procedures for rulemaking contained in 3 V.S.A. chapter 25. For each ~~such~~ rule, the ~~Board~~ Department shall conduct a hearing but, when necessary, may schedule the hearing for a day before the terms of the rule are expected to be determined.

(2) Beginning with the 2015 hunting season, the ~~Board~~ Department may set by procedure the daily bag and possession limits of migratory game birds that may be harvested in each Waterfowl Hunting Zone annually without following the procedures for rulemaking contained in 3 V.S.A. chapter 25. The annual daily bag and possession limits of migratory game birds shall be consistent with federal requirements. Prior to setting the migratory game bird daily bag and possession limits, the ~~Board~~ Department shall provide a period of not less than 30 days of public notice and shall conduct at least two public informational hearings. The final migratory game bird daily bag and possession limits shall be enforceable by the Department under its enforcement authority in part 4 of this title.

(c) The ~~Board~~ Department may set by procedure the annual number of antlerless deer that can be harvested in each Wildlife Management Unit and the annual number of moose that can be harvested in each Wildlife Management Unit without following the procedures for rulemaking contained in 3 V.S.A. chapter 25. The annual numbers of antlerless deer and moose that can be harvested shall be supported by investigation and research conducted by the Department ~~on behalf of the Board~~. Prior to setting the antlerless deer and moose permit numbers, the ~~Board~~ Department shall provide a period of not less than 30 days of public notice and shall conduct at least three public informational hearings. The public informational hearings may be conducted simultaneously with the regional antlerless deer meetings required by 10 V.S.A. App. § 2b. The final annual antlerless deer and moose harvest permit numbers shall be enforceable by the Department under its enforcement authority in part 4 of this title. The final annual antlerless deer and moose harvest permit numbers shall be reported to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy as part of the annual deer report required under section 4084 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.

Sec. 4. 10 V.S.A. § 4048(d) is amended to read:

(d) The Commissioner of Fish and Wildlife, according to the provisions of 3 V.S.A. chapter 25 and after consultation with the Fish and Wildlife Board and the Endangered Species Committee, shall adopt a rule establishing a plan

for nongame wildlife. The rule may be amended from time to time, and shall be reviewed, after public hearings, at least every five years. The plan shall contain:

- (1) strategies to manage, inventory, preserve, protect, perpetuate, and enhance all nongame wildlife in the State, including identification of wildlife species in need of protection and information on their population distributions, habitat requirements, limiting factors, and other pertinent biological and ecological data on nongame wildlife species in need of protection;
- (2) estimates of resources available for these strategies; and
- (3) plans for research and education in nongame wildlife.

Sec. 5. 10 V.S.A. § 4601 is amended to read:

§ 4601. TAKING FISH; POSSESSION

A person shall not take fish, except in accordance with this part and regulations of the ~~Board~~ Department, or possess a fish taken in violation of this part or regulations of the ~~Board~~ Department.

Sec. 6. 3 V.S.A. § 2803 is amended to read:

§ 2803. ADVISORY CAPACITY

(a) All boards, committees, councils, activities, and departments ~~which that~~ under this chapter are a part of the Agency shall be advisory only, except as hereinafter provided, and the powers and duties of such boards, committees, councils, activities, and departments, including administrative, policy making, rulemaking, and regulatory functions, shall vest in and be exercised by the Secretary of the Agency.

(b) Notwithstanding subsection (a) of this section or any other provision of this chapter, ~~the Fish and Wildlife Board and the Natural Resources Board shall retain and exercise all powers and functions given to them it by law which that~~ are of regulatory or quasi-judicial nature, including the power to adopt, amend, and repeal rules and regulations; to conduct hearings; to adjudicate controversies; and to issue and enforce orders, in the manner and to the extent to which those powers are given to those respective boards the Board by law.

Sec. 7. CONFORMING REVISIONS

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Counsel shall make the following revisions throughout the statutes as needed for consistency with Secs. 1-6 of this act, provided the revisions have no other effect on the meaning of the affected statutes:

(1) replace “Board” with “Department” in 10 V.S.A. §§ 4605, 4701, 4702, 4742a, 4828, 4830, 4861, 4902, and 5001; and

(2) revisions that are substantially similar to those described in subdivision (1) of this section.

Sec. 8. TRANSITION

(a) The Vermont Fish and Wildlife regulations adopted by the Fish and Wildlife Board and in effect as of the effective date of this act shall remain in effect and have the full force and effect of law until such time as they are repealed or amended by the General Assembly by legislative act or by the Department of Fish and Wildlife pursuant to 3 V.S.A. chapter 25.

(b) The members of the Fish and Wildlife Board as of the effective date of this act shall continue to serve as members of the Board until all new members of the Board are appointed under 10 V.S.A. § 4041(b) or 90 days after the effective date of this act, whichever occurs first.

(c) The Commissioner of Fish and Wildlife shall commence rulemaking to develop the nongame wildlife plan required by 10 V.S.A. § 4048(d) not later than July 1, 2024 and shall complete rulemaking not later than September 1, 2025. In so doing, the Commissioner shall work to harmonize provisions of all Fish and Wildlife rules to realize the public interest in the sound management of game and nongame species according to ecological principles supported by the best science available through Department and peer-reviewed research.

Sec. 9. 10 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

Words and phrases used in this part, unless otherwise provided, shall be construed to mean as follows:

* * *

(14) Fur-bearing animals: beaver, otter, marten, mink, raccoon, fisher, fox, skunk, coyote, bobcat, weasel, opossum, lynx, wolf, and muskrat.

* * *

(15) Wild animals or wildlife: all animals, including birds, fish, amphibians, and reptiles, other than domestic animals, domestic fowl, or domestic pets.

* * *

(23) Take and taking: pursuing, shooting, hunting, killing, capturing, trapping, snaring, and netting fish, birds, and quadrupeds and all lesser acts,

such as disturbing, harrying, worrying, or wounding or placing, setting, drawing, or using any net or other device commonly used to take fish or wild animals, whether they result in the taking or not; and shall include every attempt to take and every act of assistance to every other person in taking or attempting to take fish or wild animals, provided that when taking is allowed by law, reference is had to taking by lawful means and in a lawful manner.

* * *

(42) "Trapping" means to take or attempt to take fur-bearing animals with traps including the dispatching of lawfully trapped fur-bearing animals.

Sec. 10. 10 V.S.A. § 4866 is added to read:

§ 4866. SETBACKS; TRAPPING

(a) As used in this section:

(1) "Public highway," means any highway, as that term is defined in 24 V.S.A. § 4, including Class 4 roads, shown on the highway maps of the respective towns made by the Agency of Transportation, but shall not include trails.

(2) "Trail" means a path or corridor open to the public, including all areas used for nonmotorized recreational purposes such as hiking, walking, bicycling, cross-country skiing, horseback riding, and other similar activities.

(b) No foothold trap or body-gripping trap shall be set:

(1) on or within 50 feet of a trail or a public highway, including when the trap is set in water or under the ice.

(2) on or within 100 feet of a building, parking lot, visitor center, park, playground, picnic area, shelter, pavilion, school, camp or campground, recreational facility, or any other area where persons may reasonably be expected to recreate, including when the trap is set in water or under the ice.

(c) The requirements of subsection (b) of this section shall not apply to a resident or nonresident owner of land, the owner's spouse, and the owner's minor children when trapping on the owner's land, regardless of whether the land is posted under section 4710 of this title.

Sec. 11. REPEAL; FISH AND WILDLIFE REGULATIONS; TRAPPING

The following subsections of 10 V.S.A. App. § 44 (furbearing species) are repealed:

(1) subsection 3.20 (definition of trapping);

(2) subsection 3.11 (definition of legal trail);

(3) subsection 3.14 (definition of public trail); and

(4) subsection 4.15 (trapping setbacks).

* * * Hunting Coyote * * *

Sec. 12. 10 V.S.A. § 5008 is amended to read:

§ 5008. HUNTING COYOTE WITH AID OF DOGS; PERMIT; USE OF BAIT

~~(a) No person shall pursue coyote with the aid of dogs, either for training or taking purposes, without a permit issued by the Commissioner.~~

~~(1) The Commissioner may deny any permit at the Commissioner's discretion. The Commissioner shall not issue more than 100 permits annually.~~

~~(2) The number of permits that the Commissioner issues to nonresidents in any given year shall not exceed 10 percent of the number of permits issued to residents in the preceding year. The Commissioner shall establish a process and standards for determining which nonresidents are to receive a permit, including who will receive a permit if there are more nonresident applicants than nonresident permits.~~

~~(3) A nonresident may train dogs to pursue coyote only while the training season is in effect in the nonresident's home state and subject to the requirements of this part and rules adopted under this part.~~

~~(b)(1) The Commissioner shall issue permits under this section to a resident for a fee of \$50.00.~~

~~(2) The application fee for a nonresident permit issued under this section shall be \$10.00, and the fee for a nonresident permit issued under this section shall be \$200.00 for a successful applicant. No person shall pursue coyote with the aid of dogs, either for the purposes of training a dog or taking a coyote.~~

(b) A person shall not take coyote by using bait, except as authorized pursuant to a trapping license issued under this part. As used in this subsection, "bait" means any animal, vegetable, fruit, or mineral matter placed with the intention of attracting wildlife.

Sec. 13. REPEAL; HUNTING COYOTE WITH AID OF DOGS; ISSUANCE OF PERMITS

(a) 10 V.S.A. § 5009, as enacted under 2021 Acts and Resolves No. 165, Sec. 1 (hunting coyote with aid of dogs), is repealed.

(b) The following subsections of 10 V.S.A. App. § 44 (furbearing species) are repealed:

- (1) 3.1 (definition of accompany for purpose of pursuing coyote);
- (2) 3.6 (definition of control of dogs; taking of coyote);
- (3) 3.7 (definition of coyote dog permit);
- (4) 3.9 (definition of Department registered dog);
- (5) 3.12 (definition of pack of dogs);
- (6) 3.15 (definition of relaying packs and dogs);
- (7) 3.16 (definition of subpermittee);
- (8) 3.17 (definition of taking coyote with the aid of dogs);
- (9) 3.19 (definition of training/control collar);
- (10) 3.22 (definition of unregistered dog); and
- (11) 4.20 (taking coyote with the aid of dogs).

(e) The Commissioner of Fish and Wildlife shall not issue a permit to hunt or take coyote with the aid of dogs after the effective date of this act. If a person submitted an application to hunt or take coyote with the aid of dogs as of the effective date of this act but has not been awarded a permit, the Commissioner of Fish and Wildlife shall not issue a permit and shall refund to the permit applicant any fees submitted as part of the application.

* * * Effective Date * * *

Sec. 14. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Senator Lyons, for the Committee on Appropriations, to which the bill was referred, reported that the bill ought to pass when so amended.

Thereupon, the bill was read a second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Natural Resources?, Senator Bray moved to amend the recommendation of amendment of the Committee on Natural Resources and Energy as follows:

First: By striking out Sec. 1, 10 V.S.A. §§ 4041 and 4042, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

§ 4041. DEPARTMENT OF FISH AND WILDLIFE; FISH AND WILDLIFE BOARD; MEMBERS, TERM, CHAIR

(a) There is hereby established a Department of Fish and Wildlife that shall be administered by the Commissioner.

(b)(1) There is hereby established a Fish and Wildlife Board. The purpose of the Board shall be to serve in an advisory capacity to the Department of Fish and Wildlife in the establishment of Department rules and any policies therein regarding the regulation and conservation of fish and wild game and the taking thereof, except as otherwise specifically provided by law.

(2) The Board shall consist of 14 16 members, one from each county of the 14 counties in the State, appointed by the Governor with the advice and consent of the Senate and two at large members, one appointed by the Speaker of the House, and one appointed by the Committee on Committees. The members of the Board shall be appointed for a term of six years, or the unexpired portion thereof, and during their terms the 14 members appointed by the Governor by county shall reside in the county from which they are appointed. In the event a member resigns or no longer resides in the county from which he or she the member was appointed, the Governor authority that appointed the member shall appoint a new member from that county for the unexpired portion of the term. Appointments shall be made in such a manner that either two or three terms shall expire each year. A member serving a full six-year term shall not be eligible for reappointment shall be eligible to serve a maximum of two full six-year terms. The Governor Board shall biennially designate elect a chair.

(3) In order to be appointed to the Board, a person shall apply in writing to the appointing authority.

(4) The appointing authority shall give due consideration to appointing persons who:

(A) have a history of involvement with and dedication to fish and wildlife, including a knowledge of fish and wildlife biology, ecology, and the ethics of fish and wildlife management;

(B) provide balanced viewpoints; and

(C) recognize the challenges to wildlife and habitat caused by climate change, including an unprecedented loss of biodiversity, and prioritize the value of science in the work to conserve, protect, and restore natural ecosystems.

(c) Upon appointment, each Board member shall receive training from the Department on wildlife management and hunting ethics, such as the North American Model of Wildlife Conservation; wildlife biology; coexistence with wildlife; the reduction of conflict between humans and wildlife; and the impacts of climate change on fish and wildlife.

(d) Upon the filing of a proposed rule regarding the regulation and conservation of fish and wild game and the taking thereof with the Secretary

of State pursuant to 3 V.S.A. § 838, the Department shall submit the proposed rule to the Board for its review. After a public hearing and an opportunity for the public to submit written comments, the Board shall consider whether a proposed rule is designed to maintain the best health, population, viewing opportunities, and utilization levels of the regulated species and of other necessary or desirable species that are ecologically related to the regulated species and whether the rules are adequately supported by investigation and research conducted by the Department. If the Board, by majority vote, determines that a proposed rule should be revised, it shall submit a written report to the Department setting forth its recommended revisions, and the reasons therefore, within 60 days following its receipt of a proposed rule. The Board shall include with its report the public comments it received. The Department shall consider fully any recommendations by the Board. If the Board's recommendations are not included in the rule, the Department shall issue a written explanation of why it did not include the Board's recommendations in the rule. The Board's written report and the Department's response thereto shall be included with the materials submitted to the Legislative Committee on Administrative Rules under 3 V.S.A. § 841.

Second: In Sec. 3, 10 V.S.A. § 4082, by striking out subsection (a) in its entirety and inserting in lieu thereof the following:

(a) ~~The Board~~ Department may adopt rules, under 3 V.S.A. chapter 25, to be known as the "Vermont Fish and Wildlife Regulations" for the regulation of fish and wild game and the taking thereof except as otherwise specifically provided by law. The rules shall be designed to maintain the best health, population, and utilization levels of the regulated species and of other necessary or desirable species that are ecologically related to the regulated species. The rules shall be supported by ~~investigation and research conducted by the Department on behalf of the Board~~ the best science available through Department and peer reviewed research.

Third: In Sec. 4, 10 V.S.A. § 4048(d), by striking out the first sentence in its entirety and inserting in lieu thereof the following:

The Commissioner of Fish and Wildlife, according to the provisions of 3 V.S.A. chapter 25 and after consultation with the Endangered Species Committee, shall adopt a rule establishing a plan for nongame wildlife.

Fourth: By striking out Secs. 9, 10, and 11, Trapping, definitions, and setbacks, in their entireties

and by renumbering the remaining sections of the bill to be numerically correct

Which was agreed to, 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, Brock, 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: Collamore, Ingalls, Norris, Starr, Weeks, Westman, Williams, Wrenner.

The Senator absent and not voting was: Mazza.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Natural Resources, as amended?, was agreed to.

Thereupon, third reading of the bill was ordered, on a roll call, Yeas 21, Nays 8.

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, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Sears, Vyhovsky, Watson, White, Wrenner.

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

The Senator absent and not voting was: Mazza.

Bill Amended; Third Reading Ordered

S. 184.

Senator Perchlik, for the Committee on Transportation, to which was referred Senate bill entitled:

An act relating to the use of automated traffic law enforcement (ATLE) systems.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 23 V.S.A. chapter 15 is amended to read:

CHAPTER 15. POWERS OF ENFORCEMENT OFFICERS

Subchapter 1. General Provisions

§ 1600. DEFINITION

Notwithstanding subdivision 4(4) of this title, as used in this chapter, “Commissioner” means the Commissioner of Public Safety.

* * *

Subchapter 2. Automated Law Enforcement

§ 1605. DEFINITIONS

As used in this subchapter:

(1) “Active data” is distinct from historical data as defined in subdivision (5) of this section and means data uploaded to individual automated license plate recognition system units before operation as well as data gathered during the operation of an ALPR system. Any data collected by an ALPR system in accordance with section 1607 of this subchapter shall be considered collected for a legitimate law enforcement purpose.

(2) “Automated license plate recognition system” or “ALPR system” means a system of one or more mobile or fixed high-speed cameras combined with computer algorithms to convert images of registration number plates into computer-readable data.

(3) “Automated traffic law enforcement system” or “ATLE system” means a device with one or more sensors working in conjunction with a speed measuring device to produce recorded images of the rear registration number plates of motor vehicles traveling at more than five miles above the speed limit.

(4) “Calibration laboratory” means an International Organization for Standardization (ISO) 17025 accredited testing laboratory that is approved by the Commissioner of Public Safety.

(5) “Historical data” means any data collected by an ALPR system and stored on the statewide automated law enforcement server operated by the Vermont Justice Information Sharing System of the Department of Public Safety. Any data collected by an ALPR system in accordance with section 1607 of this subchapter shall be considered collected for a legitimate law enforcement purpose.

(6) “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 as a Level II or Level III law enforcement officer under 20 V.S.A. § 2358.

(7) “Legitimate law enforcement purpose” applies to access to active or historical data and means investigation, detection, analysis, or enforcement of a crime or of a commercial motor vehicle violation or a person’s defense against a charge of a crime or commercial motor vehicle violation, or operation of AMBER alerts or missing or endangered person searches.

(8) “Owner” means the first- or only listed registered owner of a motor vehicle or the first- or only listed lessee of a motor vehicle under a lease of one year or more.

(9) “Recorded image” means a photograph, microphotograph, electronic image, or electronic video that shows, clearly enough to identify, the rear registration number plate of a motor vehicle that has activated the radar component of an ATLE system by traveling past the ATLE system at more than 10 miles above the speed limit.

(10) “Vermont Intelligence Center analyst” means any sworn or civilian employee who through employment with the Vermont Intelligence Center (VIC) has access to secure storage systems that support law enforcement investigations.

§ 1606. AUTOMATED TRAFFIC LAW ENFORCEMENT SYSTEMS;
SPEEDING

(a) Use. Deployment of ATLE systems on behalf of the Agency of Transportation by a third-party pursuant to subsection (b) of this section is intended to provide automated law enforcement for speeding violations in instances of insufficient staffing or inherent on-site difficulties in such a way so as to improve work crew safety and reduce traffic crashes resulting from an increased adherence to traffic laws achieved by effective deterrence of potential violators, which could not be achieved by traditional law enforcement methods or traffic calming measures, or both. Deployment of ATLE systems on behalf of the Agency is not intended to replace law enforcement personnel, nor is it intended to mitigate problems caused by deficient road design, construction, or maintenance.

(b) Vendor. The Agency of Transportation shall enter into a contract with a third party for the operation and deployment of ATLE systems on behalf of the Agency.

(c) Locations. An ATLE system may only be utilized at a location in the vicinity of a work zone on a limited-access highway under the jurisdiction of the Agency of Transportation and selected by the Agency, in consultation with the Department of Public Safety, upon determination that it may be impractical

or unsafe to utilize traditional law enforcement methods or traffic calming measures, or both, or that the use of law enforcement personnel or traffic calming measures, or both, has failed to deter violators, provided that:

(1) the Agency confirms, through a traffic engineering analysis of the proposed location, that the location meets highway safety standards;

(2) the ATLE system is not used as a means of combating deficiencies in roadway design or environment;

(3) at least two signs notifying members of the traveling public of the use of an ATLE system are in place before any recorded images or other data is collected by the ATLE system;

(4) there is a sign at the end of the work zone;

(5) the ATLE system is only in operation when workers are present in the work zone and at least one of the signs required under subdivision (3) of this subsection indicates whether the ATLE system is currently in operation; and

(6) there is notice of the use of the ATLE system on the Agency's website, including the location and typical hours when workers are present and the ATLE system is in operation.

(d) Daily log.

(1) The vendor that deploys an ATLE system in accordance with this section must maintain a daily log for each deployed ATLE system that includes:

(A) the date, time, and location of the ATLE system setup; and

(B) the name of the employee who performed any self-tests required by the ATLE system manufacturer and the results of those self-tests.

(2) The daily log shall be retained in perpetuity by the Agency and admissible in any proceeding for a violation involving ATLE systems deployed on behalf of the Agency.

(e) Annual calibration. All ATLE systems shall undergo an annual calibration check performed by a calibration laboratory. The calibration laboratory shall issue a signed certificate of calibration after the annual calibration check, which shall be retained in perpetuity by the Agency and admissible in any proceeding for a violation involving the ATLE system.

(f) Penalty.

(1) The owner of the motor vehicle bearing the rear registration number plate captured in a recorded image shall be liable for one of the following civil

penalties unless, for the violation in question, the owner is convicted of exceeding the speed limit under chapter 13 of this title or has a defense under subsection (h) of this section:

(A) \$0.00, which shall be exempt from surcharges under 13 V.S.A. § 7282(a), for a first violation within 12 months;

(B) \$80.00 for a second violation within 12 months; provided, however, that a violation shall be considered a second violation for purposes of this subdivision only if it has occurred at least 30 days after the date on which the notice of the first violation was mailed; and

(C) \$160.00 for a third or subsequent violation within 12 months.

(2) The owner of the motor vehicle bearing the rear registration number plate captured in a recorded image shall not be deemed to have committed a crime or moving violation unless otherwise convicted under another section of this title, and a violation of this section shall not be made a part of the operating record of the owner or considered for insurance purposes.

(g) Notice and complaint.

(1) An action to enforce this section shall be initiated by issuing a Vermont civil violation complaint to the owner of a motor vehicle bearing the rear registration number plate captured in a recorded image and mailing the Vermont civil violation complaint to the owner by U.S. mail.

(2) The civil violation complaint shall:

(A) be based on an inspection of recorded images and data produced by one or more ATLE systems or one or more ATLE and ALPR systems;

(B) be issued, sworn, and affirmed by the law enforcement officer who inspected the recorded images and data;

(C) enclose copies of applicable recorded images and at least one recorded image showing the rear registration number plate of the motor vehicle;

(D) include the date, time, and place of the violation;

(E) include the applicable civil penalty amount and the dates, times, and places for any prior violations from the prior 12 months;

(F) include written verification that the ATLE system was operating correctly at the time of the violation and the date of the most recent inspection that confirms the ATLE system to be operating properly; and

(G) in compliance with 4 V.S.A. § 1105(f), include an affidavit that the issuing officer has determined the owner's military status to the best of the

officer's ability by conducting a search of the available Department of Defense Manpower Data Center (DMDC) online records, together with a copy of the record obtained from the DMDC that is the basis for the issuing officer's affidavit.

(3) In the case of a violation involving a motor vehicle registered under the laws of this State, the civil violation complaint shall be mailed within 30 days after the violation to the address of the owner as listed in the records of the Department of Motor Vehicles.

(4) In the case of a violation involving a motor vehicle registered under the laws of a jurisdiction other than this State, the notice of violation shall be mailed within 30 days after the discovery of the identity of the owner to the address of the owner as listed in the records of the official in the jurisdiction having charge of the registration of the motor vehicle. A notice of violation issued under this subdivision shall be issued not more than 90 days after the date of the violation. A notice issued after 90 days is void.

(h) Defenses. The following shall be defenses to a violation under this section:

(1) that the motor vehicle or license plates shown in one or more recorded images was in the care, custody, or control of another person at the time of the violation; and

(2) that the radar component of the ATLE system was not properly calibrated or tested at the time of the violation.

(i) Proceedings before the Judicial Bureau.

(1) To the extent not inconsistent with this section, the provisions for the adjudication of a Vermont civil violation complaint, the payment of a Vermont civil violation complaint, and the collection of civil penalties associated with a civil violation complaint in 4 V.S.A. chapter 29 shall apply to civil violation complaints issued under this section.

(2) Notwithstanding an owner's failure to request a hearing, a Vermont civil violation complaint issued pursuant to this section shall be dismissed, without consequence, upon showing by the owner that the motor vehicle in question was not in the care, custody, or control of the owner at the time of the violation because, at the time, the owner was a person in military service as defined in 50 U.S.C. § 3911.

(j) Retention.

(1) All recorded images shall be retained by the vendor pursuant to the requirements of subdivision (2) of this subsection.

(2) A recorded image shall only be retained for 12 months after the date it was obtained or until the resolution of the applicable violation and the appeal period if the violation is contested. When the retention period has expired, the vendor and any law enforcement agency with custody of the recorded image shall destroy it and cause to have destroyed any copies or backups made of the original recorded image.

(k) Review process and annual report.

(1) The Department of Public Safety, in consultation with the Agency of Transportation, shall establish a review process to ensure that recorded images are used only for the purposes permitted by this section. The Department of Public Safety shall report the results of this review annually on or before January 15 to the Senate and House Committees on Judiciary and on Transportation. The report shall contain the following information based on prior calendar year data:

(A) the total number of ATLE systems units being operated on behalf of the Agency in the State;

(B) the terms of any contracts entered into with any vendors for the deployment of ATLE on behalf of the Agency;

(C) all of the locations where an ATLE system was deployed along with the dates and hours that the ATLE system was in operation;

(D) the number of violations issued based on recorded images and the outcomes of those violations by category, including first, second, and third and subsequent violations and contested violations;

(E) the number of recorded images the Agency submitted to the automated traffic law enforcement storage system;

(F) the total amount paid in civil penalties; and

(G) any recommended changes for the use of ATLE systems in Vermont.

(2) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required if an ATLE system is deployed in the State unless the General Assembly takes specific action to repeal the report requirement.

(l) Limitations.

(1) ATLE systems shall only record violations of this section and shall not be used for any other surveillance purposes.

(2) Recorded images shall only be accessed to determine if a violation of this section was committed in the prior 12 months.

(3)(A) Recorded images are exempt from public inspection and copying under the Public Records Act.

(B) Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in subdivision (A) of this subdivision (3) shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).

(m) Rulemaking. The Department of Public Safety may adopt rules pursuant to 3 V.S.A. chapter 25 to implement this section.

§ 1607. AUTOMATED LICENSE PLATE RECOGNITION SYSTEMS

(a) Definitions. As used in this section:

~~(1) “Active data” is distinct from historical data as defined in subdivision (3) of this subsection and means data uploaded to individual automated license plate recognition system units before operation as well as data gathered during the operation of an ALPR system. Any data collected by an ALPR system in accordance with this section shall be considered collected for a legitimate law enforcement purpose.~~

~~(2) “Automated license plate recognition system” or “ALPR system” means a system of one or more mobile or fixed high-speed cameras combined with computer algorithms to convert images of registration plates into computer-readable data.~~

~~(3) “Historical data” means any data collected by an ALPR system and stored on the statewide ALPR server operated by the Vermont Justice Information Sharing System of the Department of Public Safety. Any data collected by an ALPR system in accordance with this section shall be considered collected for a legitimate law enforcement purpose.~~

~~(4) “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 as a level II or level III law enforcement officer under 20 V.S.A. § 2358.~~

~~(5) “Legitimate law enforcement purpose” applies to access to active or historical data, and means investigation, detection, analysis, or enforcement of a crime or of a commercial motor vehicle violation or a person’s defense against a charge of a crime or commercial motor vehicle violation, or operation of AMBER alerts or missing or endangered person searches.~~

~~(6) “Vermont Intelligence Center analyst” means any sworn or civilian employee who through his or her employment with the Vermont Intelligence~~

~~Center (VIC) has access to secure databases that support law enforcement investigations.~~

(b) Operation. A Vermont law enforcement officer shall be certified in ALPR operation by the Vermont Criminal Justice Council in order to operate an ALPR system.

~~(e)~~(b) ALPR use and data access; confidentiality.

(1)(A) Deployment of ALPR equipment by Vermont law enforcement agencies is intended to provide access to law enforcement reports of wanted or stolen vehicles and wanted persons and to further other legitimate law enforcement purposes. Use of ALPR systems by law enforcement officers and access to active data are restricted to legitimate law enforcement purposes.

(B) Active data may be accessed by a law enforcement officer operating the ALPR system only if ~~he or she~~ the law enforcement officer has a legitimate law enforcement purpose for the data. Entry of any data into the system other than data collected by the ALPR system itself must be approved by a supervisor and shall have a legitimate law enforcement purpose.

(C)(i) Requests to access active data shall be in writing and include the name of the requester, the law enforcement agency the requester is employed by, if any, and the law enforcement agency's Originating Agency Identifier (ORI) number. To be approved, the request must provide specific and articulable facts showing that there are reasonable grounds to believe that the data are relevant and material to an ongoing criminal, missing person, or commercial motor vehicle investigation or enforcement action. The written request and the outcome of the request shall be transmitted to VIC and retained by VIC for not less than three years.

(ii) In each department operating an ALPR system, access to active data shall be limited to designated personnel who have been provided account access by the department to conduct authorized ALPR stored data queries. Access to active data shall be restricted to data collected within the past seven days.

(2)(A) A VIC analyst shall transmit historical data only to a Vermont or out-of-state law enforcement officer or person who has a legitimate law enforcement purpose for the data. A law enforcement officer or other person to whom historical data are transmitted may use such data only for a legitimate law enforcement purpose. Entry of any data onto the ~~statewide ALPR server~~ automated traffic law enforcement storage system other than data collected by an ALPR system itself must be approved by a supervisor and shall have a legitimate law enforcement purpose.

(B) Requests for historical data within six months ~~of~~ after the date of the data's creation, whether from Vermont or out-of-state law enforcement officers or other persons, shall be made in writing to a VIC analyst. The request shall include the name of the requester, the law enforcement agency the requester is employed by, if any, and the law enforcement agency's ORI number. To be approved, the request must provide specific and articulable facts showing that there are reasonable grounds to believe that the data are relevant and material to an ongoing criminal, missing person, or commercial motor vehicle investigation or enforcement action. VIC shall retain all requests and shall record in writing the outcome of the request and any information that was provided to the requester or, if applicable, why a request was denied or not fulfilled. VIC shall retain the information described in this subdivision ~~(e)(2)(B)~~ (b)(2)(B) for ~~no~~ not fewer than three years.

(C) After six months from the date of its creation, VIC may only disclose historical data:

(i) pursuant to a warrant if the data are not sought in connection with a pending criminal charge; or

(ii) to the prosecution or the defense in connection with a pending criminal charge and pursuant to a court order issued upon a finding that the data are reasonably likely to be relevant to the criminal matter.

(3) Active data and historical data shall not be subject to subpoena or discovery, or be admissible in evidence, in any private civil action.

(4) Notwithstanding any contrary provisions of subdivision (2) of this subsection, in connection with commercial motor vehicle screening, inspection, and compliance activities to enforce the Federal Motor Carrier Safety Regulations, the Department of Motor Vehicles (DMV):

(A) may maintain or designate a server for the storage of historical data that is separate from the ~~statewide-server~~ automated traffic law enforcement storage system;

(B) may designate a DMV employee to carry out the same responsibilities as a VIC analyst and a supervisor as specified in subdivision (2) of this subsection (b); and

(C) shall have the same duties as the VIC with respect to the retention of requests for historical data.

~~(d)~~(c) Retention.

(1) Any ALPR information gathered by a Vermont law enforcement agency shall be sent to the Department of Public Safety to be retained pursuant to the requirements of subdivision (2) of this subsection. The Department of

Public Safety shall maintain the ~~ALPR database~~ automated traffic law enforcement storage system for Vermont law enforcement agencies.

(2) Except as provided in this subsection and section 1608 of this title, information gathered by a law enforcement officer through use of an ALPR system shall only be retained for 18 months after the date it was obtained. When the permitted 18-month period for retention of the information has expired, the Department of Public Safety and any local law enforcement agency with custody of the information shall destroy it and cause to have destroyed any copies or backups made of the original data. Data may be retained beyond the 18-month period pursuant to a preservation request made or disclosure order issued under section 1608 of this title or pursuant to a warrant issued under Rule 41 of the Vermont or Federal Rules of Criminal Procedure.

~~(e)~~(d) Oversight; rulemaking.

(1) The Department of Public Safety, in consultation with the Department of Motor Vehicles, shall establish a review process to ensure that information obtained through use of ALPR systems is used only for the purposes permitted by this section. The Department of Public Safety shall report the results of this review annually on or before January 15 to the Senate and House Committees on Judiciary and on Transportation. The report shall contain the following information based on prior calendar year data:

(A) the total number of ALPR units being operated by government agencies in the State, the number of such units that are stationary, and the number of units submitting data to the ~~statewide ALPR database~~ automated traffic law enforcement storage system;

(B) the number of ALPR readings each agency submitted, and the total number of all such readings submitted, to the ~~statewide ALPR database~~ automated traffic law enforcement storage system;

(C) the 18-month cumulative number of ALPR readings being housed on the ~~statewide ALPR database~~ automated traffic law enforcement storage system as of the end of the calendar year;

(D) the total number of requests made to VIC for historical data, the average age of the data requested, and the number of these requests that resulted in release of information from the ~~statewide ALPR database~~ automated traffic law enforcement storage system;

(E) the total number of out-of-state requests to VIC for historical data, the average age of the data requested, and the number of out-of-state requests that resulted in release of information from the ~~statewide ALPR database~~ automated traffic law enforcement storage system;

(F) the total number of alerts generated on ALPR systems operated by law enforcement officers in the State by a match between an ALPR reading and a plate number on an alert ~~database~~ storage system and the number of these alerts that resulted in an enforcement action;

(G) the total number of criminal, missing person, and commercial motor vehicle investigations and enforcement actions to which active data contributed, and a summary of the nature of these investigations and enforcement actions;

(H) the total number of criminal, missing person, and commercial motor vehicle investigations and enforcement actions to which historical data contributed, and a summary of the nature of these investigations and enforcement actions; and

(I) the total annualized fixed and variable costs associated with all ALPR systems used by Vermont law enforcement agencies and an estimate of the total of such costs per unit.

(2) ~~Before January 1, 2018, the~~ The Department of Public Safety shall may adopt rules to implement this section.

§ 1608. PRESERVATION OF DATA

(a) Preservation request.

(1) A law enforcement agency or the Department of Motor Vehicles or other person with a legitimate law enforcement purpose may apply to the Criminal Division of the Superior Court for an extension of up to 90 days of the 18-month retention period established under subdivision 1607~~(d)~~(c)(2) of this ~~title~~ subchapter if the agency or Department offers specific and articulable facts showing that there are reasonable grounds to believe that the captured plate data are relevant and material to an ongoing criminal or missing persons investigation or to a pending court or Judicial Bureau proceeding involving enforcement of a crime or of a commercial motor vehicle violation. Requests for additional 90-day extensions or for longer periods may be made to the Superior Court subject to the same standards applicable to an initial extension request under this subdivision.

(2) A governmental entity making a preservation request under this section shall submit an affidavit stating:

(A) the particular camera or cameras for which captured plate data must be preserved or the particular license plate for which captured plate data must be preserved; and

(B) the date or dates and time frames for which captured plate data must be preserved.

(b) Destruction. Captured plate data shall be destroyed on the schedule specified in section 1607 of this title subchapter if the preservation request is denied or 14 days after the denial, whichever is later.

Sec. 2. 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:

(1) Traffic violations alleged to have been committed on or after July 1, 1990.

* * *

(33) Automated traffic law enforcement violations issued pursuant to 23 V.S.A. § 1606.

* * *

Sec. 3. IMPLEMENTATION; OUTREACH

(a) The Agency shall develop an implementation plan and secure federal funding from the Federal Highway Administration for a work zone ATLE pilot program to run in locations throughout Vermont from July 1, 2025 until October 1, 2026.

(b) The Department of Public Safety, in consultation with the Agency of Transportation, shall implement a public outreach campaign not later than January 1, 2025 that, at a minimum, addresses:

(1) the use of automated traffic law enforcement (ATLE) systems in work zones throughout the State;

(2) what recorded images captured by ATLE systems will show;

(3) the legal significance of recorded images captured by ATLE systems; and

(4) the process to challenge and defenses to a Vermont civil violation complaint issued based on a recorded image captured by an ATLE system.

(c) The public outreach campaign shall disseminate information on ATLE systems through the Department of Public Safety's web page and through other mediums such as social media platforms, community posting websites, radio, television, and printed materials.

Sec. 4. REPEAL OF CURRENT PROSPECTIVE REPEAL

2013 Acts and Resolves No. 69, Sec. 3(b), as amended by 2015 Acts and Resolves No. 32, Sec. 1, 2016 Acts and Resolves No. 169, Sec. 6, 2018 Acts and Resolves No. 175, Sec. 1, 2020 Acts and Resolves No. 134, Sec. 3, and 2022 Acts and Resolves No. 147, Sec. 34 (July 1, 2024 repeal of Automated License Plate Recognition system standards), is repealed.

Sec. 5. PROSPECTIVE REPEAL

4 V.S.A. § 1102(b)(33) (Vermont Judicial Bureau jurisdiction over automated traffic law enforcement violations) and 23 V.S.A. §§ 1606–1608 (automated law enforcement) are repealed on July 1, 2027; provided, however, if the Agency is unable to secure federal funding for a work zone ATLE pilot program by June 30, 2025, then 4 V.S.A. § 1102(b)(33) and 23 V.S.A. §§ 1606–1608 are repealed on July 2, 2025.

Sec. 6. 23 V.S.A. § 1605 is amended to read:

§ 1605. DEFINITIONS

As used in this subchapter:

(1) ~~“Active data” is distinct from historical data as defined in subdivision (5) of this section and means data uploaded to individual automated license plate recognition system units before operation as well as data gathered during the operation of an ALPR system. Any data collected by an ALPR system in accordance with section 1607 of this subchapter shall be considered collected for a legitimate law enforcement purpose. [Repealed.]~~

(2) “Automated license plate recognition system” or “ALPR system” means a system of one or more mobile or fixed high-speed cameras combined with computer algorithms to convert images of registration number plates into computer-readable data.

(3) “Automated traffic law enforcement system” or “ATLE system” means a device with one or more sensors working in conjunction with a speed measuring device to produce recorded images of the rear registration number plates of motor vehicles traveling at more than five miles above the speed limit.

(4) ~~“Calibration laboratory” means an International Organization for Standardization (ISO) 17025 accredited testing laboratory that is approved by the Commissioner of Public Safety. [Repealed.]~~

(5) ~~“Historical data” means any data collected by an ALPR system and stored on the statewide automated law enforcement server operated by the Vermont Justice Information Sharing System of the Department of Public~~

~~Safety. Any data collected by an ALPR system in accordance with section 1607 of this subchapter shall be considered collected for a legitimate law enforcement purpose. [Repealed.]~~

~~(6) “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 as a level II or level III law enforcement officer under 20 V.S.A. § 2358. [Repealed.]~~

~~(7) “Legitimate law enforcement purpose” applies to access to active or historical data, and means investigation, detection, analysis, or enforcement of a crime or of a commercial motor vehicle violation or a person’s defense against a charge of a crime or commercial motor vehicle violation, or operation of AMBER alerts or missing or endangered person searches. [Repealed.]~~

~~(8) “Owner” means the first or only listed registered owner of a motor vehicle or the first or only listed lessee of a motor vehicle under a lease of one year or more. [Repealed.]~~

~~(9) “Recorded image” means a photograph, microphotograph, electronic image, or electronic video that shows, clearly enough to identify, the rear registration number plate of a motor vehicle that has activated the radar component of an ATLE system by traveling past the ATLE system at more than five miles above the speed limit. [Repealed.]~~

~~(10) “Vermont Intelligence Center analyst” means any sworn or civilian employee who through his or her employment with the Vermont Intelligence Center (VIC) has access to storage systems that support law enforcement investigations. [Repealed.]~~

Sec. 7. 23 V.S.A. § 1609 is added to read:

§ 1609. PROHIBITION ON USE OF AUTOMATED LAW ENFORCEMENT

No State agency or department or any political subdivision of the State shall use automated license plate recognition systems or automated traffic law enforcement systems.

Sec. 8. EFFECTIVE DATES

(a) Secs. 1 (powers of enforcement officers; 23 V.S.A. chapter 15) and 2 (Judicial Bureau jurisdiction; 4 V.S.A. § 1102) shall take effect on July 1, 2025.

(b) Secs. 6 (amended automated law enforcement definitions; 23 V.S.A. § 1605) and 7 (prohibition on the use of automated law enforcement; 23 V.S.A. § 1609) shall take effect upon the repeal of 4 V.S.A. § 1102(b)(33) (Vermont Judicial Bureau jurisdiction over automated traffic law enforcement violations) and 23 V.S.A. §§ 1606–1608 (automated law enforcement) pursuant to the provisions of Sec. 5.

(c) All other sections shall take effect on passage.

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

“An act relating to the temporary use of automated traffic law enforcement (ATLE) systems.”

And that when so amended the bill ought to pass.

Senator Chittenden, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass when so amended.

Senator Perchlick, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass when so amended.

The President *pro tempore* Assumes the Chair

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Transportation?, Senators Perchlik, Chittenden, Ingalls, Kitchel and Mazza moved to amend the recommendation of amendment of the Committee on Transportation as follows:

First: In Sec. 1, 23 V.S.A. chapter 15, in section 1605, in subdivision (3), by striking out the word “five” and inserting in lieu thereof the numeral 10

Second: In Sec. 1, 23 V.S.A. chapter 15, in section 1606, in subsection (a), by striking out the words “to provide automated law enforcement for speeding violations in instances of insufficient staffing or inherent on-site difficulties in such a way so as” and inserting in lieu thereof the words to investigate the benefits of automated law enforcement for speeding violations as a way

Third: In Sec. 1, 23 V.S.A. chapter 15, in section 1606, in subsection (c), by striking out “, upon determination that it may be impractical or unsafe to utilize traditional law enforcement methods or traffic calming measures, or both, or that the use of law enforcement personnel or traffic calming measures, or both, has failed to deter violators,” and inserting in lieu thereof a ;

Fourth: In Sec. 1, 23 V.S.A. chapter 15, in section 1606, in subdivision (d)(2), by striking out the words “in perpetuity” and inserting in lieu thereof the words for not fewer than three years

Fifth: In Sec.1, 23 V.S.A. chapter 15, in section 1606, in subsection (e), by striking out the words “in perpetuity” and inserting in lieu thereof the words for not fewer than three years

Sixth: In Sec. 1, 23 V.S.A. chapter 15, in section 1606, by striking out subdivision (l)(3) (Public Records Act exemption) in its entirety

The President Resumes the Chair

Which was agreed to.

Thereupon, the recommendation of amendment, as amended, was agreed to and third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 192.

Senator Lyons, for the Committee on Health and Welfare, to which was referred Senate bill entitled:

An act relating to forensic facility admissions criteria and processes.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Purpose and Legislative Intent * * *

Sec. 1. PURPOSE AND LEGISLATIVE INTENT

It is the purpose of this act to enable the Commissioners of Mental Health and of Disabilities, Aging, and Independent Living to seek treatment and programming for certain individuals in a forensic facility as anticipated by the passage of 2023 Acts and Resolves No. 27. It is the intent of the General Assembly that an initial forensic facility be authorized and operational beginning on July 1, 2025.

* * * Human Services Community Safety Panel * * *

Sec. 2. 3 V.S.A. § 3098 is added to read:

§ 3098. HUMAN SERVICES COMMUNITY SAFETY PANEL

(a) There is hereby created the Human Services Community Safety Panel within the Agency of Human Services. The Panel shall be designated as the entity responsible for assessing the potential placement of individuals at a forensic facility pursuant to 13 V.S.A. § 4821 for individuals who:

(1) present a significant risk of danger to self or others if not held in a secure setting; and

(2)(A) are charged with a crime for which there is no right to bail pursuant to 13 V.S.A. §§ 7553 and 7553a and are found not competent to stand trial due to mental illness or intellectual disability; or

(B) were charged with a crime for which bail is not available and adjudicated not guilty by reason of insanity.

(b)(1) The Panel shall comprise the following members:

(A) the Secretary of Human Services;

(B) the Commissioner of Mental Health;

(C) the Commissioner of Disabilities, Aging, and Independent Living; and

(D) the Commissioner of Corrections.

(2) The Panel shall have the technical, legal, fiscal, and administrative support of the Agency of Human Services and the Departments of Mental Health; of Disabilities, Aging, and Independent Living; and of Corrections.

(c) As used in this section, “forensic facility” has the same meaning as in 18 V.S.A. § 7101.

Sec. 3. 13 V.S.A. § 4821 is amended to read:

§ 4821. NOTICE OF HEARING; PROCEDURES

(a) The person who is the subject of the proceedings, ~~his or her~~; the person’s attorney; the person’s legal guardian, if any; the Commissioner of Mental Health or the Commissioner of Disabilities, Aging, and Independent Living; and the State’s Attorney or other prosecuting officer representing the State in the case shall be given notice of the time and place of a hearing under section 4820 of this title. Procedures for hearings for persons with a mental illness shall be as provided in 18 V.S.A. chapter 181. Procedures for hearings for persons with an intellectual disability shall be as provided in 18 V.S.A. chapter 206, subchapter 3.

(b)(1) Once a report concerning competency or sanity is completed or disclosed to the opposing party, the Human Services Community Safety Panel established in 3 V.S.A. § 3098 may conduct a review on its own initiative regarding whether placement of the person who is the subject of the report is appropriate in a forensic facility. The review shall inform either the Commissioner of Mental Health’s or Commissioner of Disabilities, Aging, and Independent Living’s decision as to whether to seek placement of the person in a forensic facility.

(2)(A) If the Panel does not initiate its own review, a party to a hearing under section 4820 of this chapter may file a written motion to the court

requesting that the Panel conduct a review within seven days after receiving a report under section 4816 of this chapter or within seven days after being adjudicated not guilty by reason of insanity.

(B) A motion filed pursuant to this subdivision (2) shall specify that the person who is the subject of the proceedings is charged with a crime for which there is no right to bail pursuant to sections 7553 and 7553a of this title, and may include a person adjudicated not guilty by reason of insanity, and that the person presents a significant risk of danger to themselves or the public if not held in a secure setting.

(C) The court shall rule on a motion filed pursuant to this subdivision (2) within five days. A Panel review ordered pursuant to this subdivision (2) shall be completed and submitted to the court at least three days prior to a hearing under section 4820 of this title.

(c) In conducting a review as to whether to seek placement of a person in a forensic facility, the Human Services Community Safety Panel shall consider the following criteria:

(1) clinical factors, including:

(A) that the person is served in the least restrictive setting necessary to meet the needs of the person; and

(B) that the person's treatment and programming needs dictate that the treatment or programming be provided at an intensive residential level; and

(2) risk of harm factors, including:

(A) whether the person has inflicted or attempted to inflict serious bodily injury on another, attempted suicide or serious self-injury, or committed an act that would constitute sexual conduct with a child as defined in section 2821 of this title or lewd and lascivious conduct with a child as provided in section 2602 of this title, and there is reasonable probability that the conduct will be repeated if admission to a forensic facility is not ordered;

(B) whether the person has threatened to inflict serious bodily injury to the person or others and there is reasonable probability that the conduct will occur if admission to a forensic facility is not ordered;

(C) whether the results of any applicable evidence-based violence risk assessment tool indicates that the person's behavior is deemed a significant risk to others;

(D) the position of the parties to the criminal case as well as that of any victim as defined in subdivision 5301(4) of this title; and

(E) any other factors the Human Services Community Safety Panel determines to be relevant to the assessment of risk.

(d) As used in this chapter, "forensic facility" has the same meaning as in 18 V.S.A. § 7101.

* * * Admission to Forensic Facility for Persons in Need of Treatment or Continued Treatment * * *

Sec. 4. 13 V.S.A. § 4822 is amended to read:

§ 4822. FINDINGS AND ORDER; PERSONS WITH A MENTAL ILLNESS

(a)(1) If the court finds that the person is a person in need of treatment or a patient in need of further treatment as defined in 18 V.S.A. § 7101, the court shall issue an order of commitment directed to the Commissioner of Mental Health that shall admit the person to the care and custody of the Department of Mental Health for an indeterminate a period of 90 days. In any case involving personal injury or threat of personal injury, the committing court may issue an order requiring a court hearing before a person committed under this section may be discharged from custody.

(2) If the Commissioner seeks to have a person receive treatment in a forensic facility pursuant to an order of nonhospitalization under subdivision (1) of this subsection, the Commissioner shall submit a petition to the court expressly stating that such treatment is being sought, including:

(A) a statement setting forth the reasons for the Commissioner's determination that clinically appropriate treatment for the person's condition can be provided safely only in a forensic facility; and

(B) the recommendation of the Human Services Community Safety Panel pursuant to section 4821 of this title.

(3) If the Commissioner determines that treatment at a forensic facility is appropriate, and the court finds that treatment at a forensic facility is the least restrictive setting adequate to meet the person's needs, the court shall order the person to receive treatment at a forensic facility for a period of 90 days. The court may, at any time following the issuance of an order, on its own motion or on motion of an interested party, review whether treatment at the forensic facility continues to be the least restrictive treatment option.

* * *

Sec. 5. 18 V.S.A. § 7101 is amended to read:

§ 7101. DEFINITIONS

As used in this part of this title, the following words, unless the context otherwise requires, shall have the following meanings:

* * *

(31)(A) “Forensic facility” means a residential facility, licensed as a therapeutic community residence as defined in 33 V.S.A. § 7102(11), for an individual initially committed pursuant to:

(i) 13 V.S.A. § 4822 who is in need of treatment or continued treatment pursuant to chapter 181 of this title within a secure setting for an extended period of time; or

(ii) 13 V.S.A. § 4823 who is in need of custody, care, and habilitation or continued custody, care, and habilitation pursuant to chapter 206 of this title within a secure setting for an extended period of time.

(B) A forensic facility shall not be used for any purpose other than the purposes permitted by this part or chapter 206 of this title. As used in this subdivision (31), “secure” has the same meaning as in section 7620 of this title.

Sec. 6. 18 V.S.A. § 7620 is amended to read:

§ 7620. APPLICATION FOR CONTINUED TREATMENT

(a) If, prior to the expiration of any order issued in accordance with section 7623 of this title, the Commissioner believes that the condition of the patient is such that the patient continues to require treatment, the Commissioner shall apply to the court for a determination that the patient is a patient in need of further treatment and for an order of continued treatment.

(b) An application for an order authorizing continuing treatment shall contain a statement setting forth the reasons for the Commissioner’s determination that the patient is a patient in need of further treatment, a statement describing the treatment program provided to the patient, and the results of that course of treatment.

(c) Any order of treatment issued in accordance with section 7623 of this title shall remain in force pending the court’s decision on the application.

(d) If the Commissioner seeks to have the patient receive the further treatment in a forensic facility or secure residential recovery facility, the application for an order authorizing continuing treatment shall expressly state that such treatment is being sought. The application shall contain, in addition to the statements required by subsection (b) of this section, a statement setting forth the reasons for the Commissioner’s determination that clinically appropriate treatment for the patient’s condition can be provided safely only in

a secure residential recovery facility or forensic facility, as appropriate. An application for continued treatment in a forensic facility shall include the recommendation of the Human Services Community Safety Panel pursuant to 13 V.S.A. § 4821.

(e) As used in this chapter:

(1) “Secure,” when describing a residential facility, means that the residents can be physically prevented from leaving the facility by means of locking devices or other mechanical or physical mechanisms.

(2) “Secure residential recovery facility” means a residential facility, licensed as a therapeutic community residence as defined in 33 V.S.A. § 7102(11), for an individual who no longer requires acute inpatient care but who does remain in need of treatment within a secure setting for an extended period of time. A secure residential recovery facility shall not be used for any purpose other than the purposes permitted by this section.

Sec. 7. 18 V.S.A. § 7621 is amended to read:

§ 7621. HEARING ON APPLICATION FOR CONTINUED TREATMENT;
ORDERS

* * *

(c) If the court finds that the patient is a patient in need of further treatment but does not require hospitalization, it shall order nonhospitalization for up to one year. If the treatment plan proposed by the Commissioner for a patient in need of further treatment includes admission to a secure residential recovery facility or a forensic facility, the court may at any time, on its own motion or on motion of an interested party, review the need for treatment at the secure residential recovery facility or forensic facility, as applicable.

* * *

Sec. 8. 18 V.S.A. § 7624 is amended to read:

§ 7624. APPLICATION FOR INVOLUNTARY MEDICATION

(a) The Commissioner may commence an action for the involuntary medication of a person who is refusing to accept psychiatric medication and meets any one of the following ~~six~~ conditions:

(1) has been placed in the Commissioner’s care and custody pursuant to section 7619 of this title or subsection 7621(b) of this title;

(2) has previously received treatment under an order of hospitalization and is currently under an order of nonhospitalization, including a person on an order of nonhospitalization who resides in a secure residential recovery facility;

(3) has been committed to the custody of the Commissioner of Corrections as a convicted felon and is being held in a correctional facility that is a designated facility pursuant to section 7628 of this title and for whom the Departments of Corrections and of Mental Health have determined jointly that involuntary medication would be appropriate pursuant to 28 V.S.A. § 907(4)(H);

(4) has an application for involuntary treatment pending for which the court has granted a motion to expedite pursuant to subdivision 7615(a)(2)(A)(i) of this title;

(5)(A) has an application for involuntary treatment pending;

(B) waives the right to a hearing on the application for involuntary treatment until a later date; and

(C) agrees to proceed with an involuntary medication hearing without a ruling on whether ~~he or she~~ the person is a person in need of treatment; ~~or~~

(6) has been placed under an order of nonhospitalization in a forensic facility; or

(7) has had an application for involuntary treatment pending pursuant to subdivision 7615(a)(1) of this title for more than 26 days without a hearing having occurred and the treating psychiatrist certifies, based on specific behaviors and facts set forth in the certification, that in ~~his or her~~ the psychiatrist's professional judgment there is good cause to believe that:

(A) additional time will not result in the person establishing a therapeutic relationship with providers or regaining competence; and

(B) serious deterioration of the person's mental condition is occurring.

(b)(1) Except as provided in subdivisions (2), (3), and (4) of this subsection, an application for involuntary medication shall be filed in the Family Division of the Superior Court in the county in which the person is receiving treatment.

(2) If the application for involuntary medication is filed pursuant to subdivision (a)(4) ~~or (a)(6)~~ of this section:

(A) the application shall be filed in the county in which the application for involuntary treatment is pending; and

(B) the court shall consolidate the application for involuntary treatment with the application for involuntary medication and rule on the application for involuntary treatment before ruling on the application for involuntary medication.

(3) If the application for involuntary medication is filed pursuant to subdivision (a)(5) or (a)(6)(7) of this section, the application shall be filed in the county in which the application for involuntary treatment is pending.

(4) Within 72 hours of the filing of an application for involuntary medication pursuant to subdivision (a)(6)(7) of this section, the court shall determine, based solely upon a review of the psychiatrist's certification and any other filings, whether the requirements of that subdivision have been established. If the court determines that the requirements of subdivision (a)(6)(7) of this section have been established, the court shall consolidate the application for involuntary treatment with the application for involuntary medication and hear both applications within 10 days after the date that the application for involuntary medication is filed. The court shall rule on the application for involuntary treatment before ruling on the application for involuntary medication. Subsection 7615(b) of this title shall apply to applications consolidated pursuant to this subdivision.

* * *

* * * Persons in Need of Custody, Care, and Habilitation or Continued
Custody, Care, and Habilitation * * *

Sec. 9. 13 V.S.A. § 4823 is amended to read:

§ 4823. FINDINGS AND ORDER; PERSONS WITH AN INTELLECTUAL
DISABILITY

(a) If the court finds that such person is a person in need of custody, care, and habilitation as defined in 18 V.S.A. § 8839, the court shall issue an order of commitment directed to the Commissioner of Disabilities, Aging, and Independent Living for placement in a designated program in the least restrictive environment consistent with the person's need for custody, care, and habilitation of such person for an indefinite or limited period in a designated program up to one year.

(b) ~~Such order of commitment shall have the same force and effect as an order issued under 18 V.S.A. § 8843 and persons committed under such an order shall have the same status, and the same rights, including the right to receive care and habilitation, to be examined and discharged, and to apply for and obtain judicial review of their cases, as persons ordered committed under 18 V.S.A. § 8843~~ Commitment procedures for an order initially issued pursuant to subsection (a) of this section and for discharge from an order of commitment or continued commitment shall occur in accordance with 18 V.S.A. §§ 8845–8847.

(c) ~~Section 4822 of this title shall apply to persons proposed for discharge under this section; however, judicial proceedings shall be conducted in the~~

~~Criminal Division of the Superior Court in which the person then resides, unless the person resides out of State in which case the proceedings shall be conducted in the original committing court~~ In accordance with 18 V.S.A. § 8845, if the Commissioner seeks to have a person committed pursuant to this section placed in a forensic facility, the Commissioner shall provide a statement setting forth the reasons for the Commissioner's determination that clinically appropriate treatment and programming can be provided safely only in a forensic facility, including the recommendation of the Human Services Community Safety Panel pursuant to section 4821 of this title.

Sec. 10. 18 V.S.A. chapter 206, subchapter 3 is amended to read:

Subchapter 3. Judicial Proceeding; Persons with an Intellectual Disability
Who Present a Danger of Harm to Others

§ 8839. DEFINITIONS

As used in this subchapter:

(1) ~~“Danger of harm to others” means the person has inflicted or attempted to inflict serious bodily injury to another or has committed an act that would constitute a sexual assault or lewd or lascivious conduct with a child~~ “Commissioner” means the Commissioner of Disabilities, Aging, and Independent Living.

(2) “Designated program” means a program designated by the Commissioner as adequate to provide in an individual manner appropriate custody, care, and habilitation to persons with intellectual disabilities receiving services under this subchapter.

(3) “Forensic facility” has the same meaning as in section 7101 of this title.

(4) “Person in need of continued custody, care, and habilitation” means a person who was previously found to be a person in need of custody, care, and habilitation who poses a danger of harm to others and for whom the Commissioner has, in the Commissioner's discretion, consented to or approved the continuation of the designated program. A danger of harm to others shall be shown by establishing that, in the time since the last order of commitment was issued, the person:

(A) has inflicted or attempted to inflict physical or sexual harm to another;

(B) by the person's threats or actions, has placed another person in reasonable fear of physical or sexual harm; or

(C) has exhibited behavior demonstrating that, absent treatment or programming provided by the Commissioner, there is a reasonable likelihood that the person would inflict or attempt to inflict physical or sexual harm to another.

(5) "Person in need of custody, care, and habilitation" means a person:

(A) a person with an intellectual disability, which means significantly subaverage intellectual functioning existing concurrently with deficits in adaptive behavior that were manifest before 18 years of age;

(B) who presents a danger of harm to others has inflicted or attempted to inflict serious bodily injury to another or who has committed an act that would constitute sexual conduct with a child as defined in section 2821 of this title or lewd and lascivious conduct with a child as provided in section 2602 of this title; and

(C) for whom appropriate custody, care, and habilitation can be provided by the Commissioner in a designated program.

(6) "Victim" has the same meaning as in 13 V.S.A. § 5301(4).

§ 8840. JURISDICTION AND VENUE

~~Proceedings brought under this subchapter for commitment to the Commissioner for custody, care, and habilitation shall be commenced by petition in the Family Division of the Superior Court for the unit in which the respondent resides. [Repealed.]~~

§ 8841. PETITION; PROCEDURES

~~The filing of the petition and procedures for initiating a hearing shall be as provided in sections 8822-8826 of this title. [Repealed.]~~

§ 8842. HEARING

~~Hearings under this subchapter for commitment shall be conducted in accordance with section 8827 of this title. [Repealed.]~~

§ 8843. FINDINGS AND ORDER

~~(a) In all cases, the court shall make specific findings of fact and state its conclusions of law.~~

~~(b) If the court finds that the respondent is not a person in need of custody, care, and habilitation, it shall dismiss the petition.~~

~~(c) If the court finds that the respondent is a person in need of custody, care, and habilitation, it shall order the respondent committed to the custody of the Commissioner for placement in a designated program in the least restrictive environment consistent with the respondent's need for custody, care, and habilitation for an indefinite or a limited period. [Repealed.]~~

§ 8844. LEGAL COMPETENCE

No determination that a person is in need of custody, care, and habilitation or in need of continued custody, care, and habilitation and no order authorizing commitment shall lead to a presumption of legal incompetence.

§ 8845. ~~JUDICIAL REVIEW~~ INITIAL ORDER FOR CUSTODY, CARE, AND HABILITATION

~~(a)(1) A person committed under this subchapter may be discharged from custody by a Superior judge after judicial review as provided herein or by administrative order of the Commissioner. If a person is found incompetent to stand trial pursuant to 13 V.S.A. § 4820, the Criminal Division of the Superior Court shall automatically schedule a hearing to determine whether the person is a person in need of custody, care, and habilitation and requiring commitment.~~

~~(2) The Commissioner's recommendation that a person be placed in a forensic facility, if applicable, shall be filed with the court in advance of the commitment hearing and shall:~~

~~(A) expressly state the reasons for the Commissioner's determination that clinically appropriate treatment and programming can be provided safely only in a forensic facility; and~~

~~(B) include the recommendation of the Human Services Community Safety Panel pursuant to 13 V.S.A. § 4821.~~

~~(b) Procedures for judicial review of persons committed under this subchapter shall be as provided in section 8834 of this title, except that proceedings shall be brought in the Criminal Division of the Superior Court in the unit in which the person resides or, if the person resides out of state, in the unit that issued the original commitment order. The Commissioner or designee shall attend a commitment hearing for custody, care, and habilitation and be available to testify. All persons to whom notice is given may attend the commitment hearing and testify, except that the court may exclude those persons not necessary for the conduct of the hearing.~~

~~(c) A person committed under this subchapter shall be entitled to a judicial review annually. If no such review is requested by the person, it shall be initiated by the Commissioner. However, such person may initiate a judicial review under this subsection after 90 days after initial commitment but before the end of the first year of the commitment. The Vermont Rules of Evidence shall apply in all judicial proceedings brought under this subchapter.~~

~~(d)(1) If at the completion of the hearing and consideration of the record, the court finds at the time of the hearing that the person is still in need of custody, care, and habilitation, commitment shall continue for an indefinite or~~

limited period. If the court finds at the time of the hearing that the person is no longer in need of custody, care, and habilitation, it shall discharge the person from the custody of the Commissioner. An order of discharge may be conditional or absolute and may have immediate or delayed effect. If the court finds by clear and convincing evidence that the person is a person in need of custody, care, and habilitation, the court shall order that the person be committed to the Commissioner and receive appropriate treatment and programming in a designated program that provides the least restrictive environment consistent with the person's need for custody, care, and habilitation for up to one year.

(2) Notwithstanding subdivision (1) of this subsection, a person may initiate a judicial review in the Family Division of the Superior Court under this subchapter at any time after 90 days following a current order of commitment.

(e) If the Commissioner has recommended to the court that a person be placed in a forensic facility, the court, after determining that the person is a person in need of custody, care, and habilitation, shall determine whether placement at a forensic facility is both appropriate and the least restrictive setting adequate to meet the person's needs. If so determined, the court shall order the person placed in a forensic facility for a term not to exceed the duration of the initial commitment order. The committing court shall automatically review any placement at a forensic facility 90 days after commitment to ensure that the placement remains the least restrictive setting adequate to meet the person's needs.

§ 8846. PETITION AND ORDER FOR CONTINUED CUSTODY, CARE, AND HABILITATION

(a)(1) If, prior to the expiration of any previous commitment order issued in accordance with 13 V.S.A. § 4823 or this subchapter, the Commissioner believes that the person is a person in need of continued custody, care, and habilitation, the Commissioner shall initiate a judicial review in the Family Division of the Superior Court. The Commissioner shall, by filing a written petition, commence proceedings for the continued custody, care, and habilitation of a person. The petition shall include:

(A) the name and address of the person alleged to need continued custody, care, and habilitation; and

(B) a statement of the current and relevant facts upon which the person's alleged need for continued custody, care, and habilitation is predicated.

(2) Any commitment order for custody, care, and habilitation or continued custody, care, and habilitation issued in accordance with 13 V.S.A. § 4823 or this subchapter shall remain in force pending the court's decision on the petition.

(3) If the Commissioner seeks placement for the person alleged to need continued custody, care, and habilitation at a forensic facility, the petition for continued custody, care, and habilitation shall:

(A) expressly state the reasons for the Commissioner's determination that clinically appropriate treatment and programming can be provided safely only in a forensic facility; and

(B) include a renewed recommendation of the Human Services Community Safety Panel pursuant to 13 V.S.A. § 4821.

(b) Upon receipt of the petition, the court shall set a date for the hearing within 10 days after the date of filing, which shall be held in accordance with subsections 8845(b) and (c) of this subchapter.

(c)(1) If at the completion of the hearing and consideration of the record, the court finds by clear and convincing evidence at the time of the hearing that the person is still in need of continued custody, care, and habilitation, it shall issue an order of commitment for up to one year in a designated program in the least restrictive environment consistent with the person's need for continued custody, care, and habilitation. If the court finds at the time of the hearing that the person is no longer in need of continued custody, care, and habilitation, it shall discharge the person from the custody of the Commissioner in accordance with section 8847 of this subchapter. In determining whether a person is a person in need of continued custody, care, and habilitation, the court shall consider the degree to which the person has previously engaged in or complied with the treatment and programming provided by the Commissioner. Nothing in this section shall prohibit the Commissioner from seeking, nor the court from ordering, consecutive commitment orders when the criteria for commitment are otherwise met.

(2) In a petition in which placement at a forensic facility is sought, a court shall first determine whether an order for continued custody, care, and habilitation is appropriate. If the court grants the petition for continued custody, care, and habilitation, it shall then determine whether placement at a forensic facility is appropriate and the least restrictive setting adequate to meet the person's needs. If so determined, the court shall order the person placed in a forensic facility for a term not exceed the duration of the order for continued custody, care, and habilitation. The committing court shall automatically review any placement at a forensic facility 90 days after commitment to ensure

that the placement remains the least restrictive setting adequate to meet the person's needs.

(d) Notwithstanding subdivision (1) of subsection (a), a person may initiate a judicial review in the Family Division of the Superior Court under this subchapter at any time after 90 days following a current order of continued commitment.

§ 8847. DISCHARGE FROM COMMITMENT OR PLACEMENT IN A FORENSIC FACILITY

(a) A person committed under 13 V.S.A. § 4823 or this subchapter may be discharged from an order of custody, care, and habilitation; an order of continued custody, care, and habilitation; or placement at a forensic facility by:

(1) a Family Division Superior judge after judicial review pursuant to subsection (b) of this section; or

(2) administrative order of the Commissioner pursuant to subsection (c) of this section.

(b)(1) A person under a commitment order for custody, care, and habilitation under 13 V.S.A. § 4823 or a commitment order for continued custody, care, and habilitation under this subchapter shall be entitled to a judicial review of the person's need for continued custody, care, and habilitation pursuant to sections 8845(d)(2) and 8846(d) of this subchapter. If the court finds that the person is not a person in need of custody, care, and habilitation or continued custody, care, and habilitation, the person shall be discharged from the custody of the Commissioner. A judicial order of discharge may be conditional or absolute and may have immediate or delayed effect.

(2)(A) In reviewing the placement of a person receiving treatment and programming at a forensic facility, the court may determine that while the placement at a forensic facility is no longer appropriate or that the setting is no longer the least restrictive setting adequate to meet the person's needs, the person is still a person in need of continued custody, care, and habilitation. In this instance, the court shall discharge the person from placement at the forensic facility while maintaining the person's order of commitment or continued commitment.

(B) When a person subject to judicial review pursuant to this subsection (b) is receiving treatment or programming at a forensic facility, either the State's Attorney of the county where the person's prosecution originated, or the Office of the Attorney General if that office prosecuted the person's case, or the victim, or both, may file a position with the court as an interested person concerning whether the person's discharge from placement at the forensic facility is appropriate.

(c)(1)(A) If the Commissioner determines that a person is no longer a person in need of custody, care, and habilitation; of continued custody, care, and habilitation; or of placement at a forensic facility, the Commissioner shall issue an administrative discharge from commitment or from placement at a forensic facility, or both. An administrative discharge from commitment or from placement at a forensic facility may be conditional or absolute and may have immediate or delayed effect. At least 10 days prior to the effective date of any administrative discharge by the Commissioner from commitment or placement at a forensic facility, or 10 days prior to the expiration of a current commitment order for which the Commissioner has decided not to seek continued commitment, the Commissioner shall give notice of the pending discharge to the committing court and to either the State's Attorney of the county where the prosecution originated or to the Office of the Attorney General if that Office prosecuted the case.

(B) In reviewing the placement of a person receiving treatment and programming at a forensic facility, the Commissioner may determine that while the placement at a forensic facility is no longer appropriate or that the setting is no longer the least restrictive setting adequate to meet the person's needs, the person is still a person in need of continued custody, care, and habilitation. In this instance, the Commissioner shall discharge the person from placement at the forensic facility while maintaining the person's order of commitment or continued commitment.

(2)(A) When a person subject to administrative discharge pursuant to this subsection (c) is receiving treatment and programming at a forensic facility, the State's Attorney or Office of the Attorney General shall provide notice of the pending administrative discharge from placement at a forensic facility and from commitment, if applicable, to any victim of the offense for which the person has been charged who has not opted out of receiving notice.

(B) During the period in which the Commissioner gives notice of the pending administrative discharge pursuant to subdivision (1)(A) of this subsection (c) and the anticipated date of administrative discharge, which shall not be less than 10 days, the State's Attorney or the Office of the Attorney General or the victim, or both, may request a hearing in the Family Division of the Superior Court on whether the person's pending administrative discharge from placement at a forensic facility is appropriate, which shall be held within 10 days after the request. The pending administrative discharge from placement at the forensic facility shall be stayed until the hearing has concluded and any subsequent orders are issued, but in no event shall a subsequent order be issued more than five days after the hearing.

(d) Whenever a person is subject to a judicial or administrative discharge from commitment, the Criminal Division of the Superior Court shall retain jurisdiction over the person's underlying charge and any orders holding the person without bail or concerning bail, and conditions of release shall remain in place. Those orders shall be placed on hold while a person is in the custody, care, and habilitation of the Commissioner. When a person is discharged from the Commissioner's custody, care, and habilitation to a correctional facility, the custody of the Commissioner shall cease when the person enters the correctional facility.

§ 8846 ~~8848~~. RIGHT TO COUNSEL

Persons subject to commitment or ~~judicial review~~ continued commitment under this subchapter shall have a right to counsel as provided in section 7111 of this title.

* * * Competency Examination * * *

Sec. 11. 13 V.S.A. § 4814 is amended to read:

§ 4814. ORDER FOR EXAMINATION OF COMPETENCY

* * *

(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.~~

* * *

* * * Fiscal Estimate of Competency Restoration Program * * *

Sec. 12. REPORT; COMPETENCY RESTORATION PROGRAM; FISCAL ESTIMATE

On or before November 1, 2024, the Agency of Human Services shall submit a report to the House Committees on Appropriations, on Health Care, and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare that provides a fiscal estimate for the implementation of a competency restoration program operated or under contract with the Department of Mental Health. The estimate shall include:

(1) whether and how to serve individuals with an intellectual disability in a competency restoration program;

(2) varying options dependent upon which underlying charges are eligible for court-ordered competency restoration; and

(3) costs associated with establishing a residential program where court-ordered competency restoration programming may be performed on an individual who is neither in the custody of the Commissioner of Mental Health pursuant to 13 V.S.A. § 4822 nor in the custody of the Commissioner of Disabilities, Aging, and Independent Living pursuant to 13 V.S.A. § 4823.

* * * Rulemaking * * *

Sec. 13. RULEMAKING; CONFORMING AMENDMENTS

On or before August 1, 2024, the Commissioner of Disabilities, Aging, and Independent Living, in consultation with the Commissioner of Mental Health, shall file initial proposed rule amendments with the Secretary of State pursuant to 3 V.S.A. § 836(a)(2) to the Department of Disabilities, Aging, and Independent Living, Licensing and Operating Regulations for Therapeutic Community Residences (CVR 13-110-12) for the purpose of:

(1) adding a forensic facility section of the rule that includes allowing the use of emergency involuntary procedures and the administration of involuntary medication at a forensic facility; and

(2) amending the secure residential recovery facility section of the rule to allow the use of emergency involuntary procedures and the administration of involuntary medication at the secure residential recovery facility.

* * * Effective Dates * * *

Sec. 14. EFFECTIVE DATES

This section, Sec. 12 (report; competency restoration program; fiscal estimate), and Sec. 13 (rulemaking; conforming amendments) shall take effect on passage. All remaining sections shall take effect on July 1, 2025.

And that when so amended the bill ought to pass.

Senator Lyons, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Health and Welfare with the following amendments thereto:

First: In Sec. 1, purpose and legislative intent, by striking out the second sentence

Second: In Sec. 13, rulemaking; conforming amendments, in the first sentence, by striking out “August” and inserting in lieu thereof November

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of the Committee on Health and Welfare was amended as recommended by the Committee on Appropriations.

Thereupon, Senators Lyons, Weeks, Gulick, Hardy and Williams moved to amend the recommendation of amendment of the Committee on Health and Welfare as follows:

First: By striking out Sec. 4, 13 V.S.A. § 4822, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. 13 V.S.A. § 4822 is amended to read:

§ 4822. FINDINGS AND ORDER; PERSONS WITH A MENTAL ILLNESS

(a)(1) If the court finds that the person is a person in need of treatment or a patient in need of further treatment as defined in 18 V.S.A. § 7101, the court shall issue an order of commitment directed to the Commissioner of Mental Health that shall admit the person to the care and custody of the Department of Mental Health for ~~an indeterminate~~ a period of 90 days. In any case involving personal injury or threat of personal injury, the committing court may issue an order requiring a court hearing before a person committed under this section may be discharged from custody.

(2) If the Commissioner seeks to have a person receive treatment in a forensic facility pursuant to an order of nonhospitalization under subdivision (1) of this subsection, the Commissioner shall submit a petition to the court expressly stating that such treatment is being sought, including:

(A) a statement setting forth the reasons for the Commissioner's determination that clinically appropriate treatment for the person's condition can be provided safely only in a forensic facility; and

(B) the recommendation of the Human Services Community Safety Panel pursuant to section 4821 of this title.

(3) If the Commissioner determines that treatment at a forensic facility is appropriate, and the court finds that treatment at a forensic facility is the least restrictive setting adequate to meet the person's needs, the court shall order the person to receive treatment at a forensic facility for a period of 90 days. The court may, at any time following the issuance of an order, on its own motion or on motion of an interested party, review whether treatment at the forensic facility continues to be the least restrictive treatment option.

(b) An order of commitment issued pursuant to this section shall have the same force and effect as an order issued under 18 V.S.A. §§ 7611–7622, and a person committed under this order shall have the same status and the same rights, including the right to receive care and treatment, to be examined and discharged, and to apply for and obtain judicial review of ~~his or her~~ the person's case, as a person ordered committed under 18 V.S.A. §§ 7611–7622.

(c)(1) Notwithstanding the provisions of subsection (b) of this section, at least 10 days prior to the proposed discharge of any person committed under this section, the Commissioner of Mental Health shall give notice of the discharge to the committing court and State's Attorney of the county where the prosecution originated. In all cases requiring a hearing prior to discharge of a person found incompetent to stand trial under section 4817 of this title, the hearing shall be conducted by the committing court issuing the order under that section. In all other cases, when the committing court orders a hearing under subsection (a) of this section or when, in the discretion of the Commissioner of Mental Health, a hearing should be held prior to the discharge, the hearing shall be held in the Family Division of the Superior Court to determine if the committed person is no longer a person in need of treatment or a patient in need of further treatment as set forth in subsection (a) of this section. Notice of the hearing shall be given to the Commissioner, the State's Attorney of the county where the prosecution originated, the committed person, and the person's attorney. Prior to the hearing, the State's Attorney may enter an appearance in the proceedings and may request examination of the patient by an independent psychiatrist, who may testify at the hearing.

(2)(A) This subdivision (2) shall apply when a person is committed to the care and custody of the Commissioner of Mental Health under this section after having been found:

(i) not guilty by reason of insanity; or

(ii) incompetent to stand trial, provided that the person's criminal case has not been dismissed.

(B)(i) When a person has been committed under this section, the Commissioner shall provide notice to the State's Attorney of the county where the prosecution originated or to the Office of the Attorney General if that office prosecuted the case:

(I) at least 10 days prior to discharging the person from:

(aa) the care and custody of the Commissioner; or

(bb) a hospital, a forensic facility, or a secure residential recovery facility to the community on an order of nonhospitalization pursuant to 18 V.S.A. § 7618;

(II) at least 10 days prior to the expiration of a commitment order issued under this section if the Commissioner does not seek continued treatment; or

(III) any time that the person elopes from the custody of the Commissioner.

(ii) When the State's Attorney or Attorney General receives notice under subdivision (i) of this subdivision (B), the Office shall provide notice of the action to any victim of the offense for which the person has been charged who has not opted out of receiving notice. A victim receiving notice pursuant to this subdivision (ii) has the right to submit a victim impact statement to the Family Division of the Superior Court in writing or through the State's Attorney or Attorney General's office.

(iii) As used in this subdivision (B), "victim" has the same meaning as in section 5301 of this title.

(d) The court may continue the hearing provided in subsection (c) of this section for a period of 15 additional days upon a showing of good cause.

(e) If the court determines that commitment shall no longer be necessary, it shall issue an order discharging the patient from the custody of the Department of Mental Health.

(f) The court shall issue its findings and order not later than 15 days from the date of hearing.

Second: By inserting a new section to be Sec. 8a after Sec. 8 to read as follows:

Sec. 8a. 18 V.S.A. § 7627 is amended to read:

§ 7627. COURT FINDINGS; ORDERS

* * *

(o) For a person who is receiving treatment pursuant to an order of nonhospitalization in a forensic facility, if the court finds that without an order for involuntary medication there is a substantial probability that the person would continue to refuse medication and as a result would pose a danger of harm to self or others, the court may order administration of involuntary medications at a forensic facility for up to 90 days, unless the court finds that an order is necessary for a longer period of time. An order for involuntary medication pursuant to this subsection shall not be longer than the duration of the current order of nonhospitalization. If at any time the treating psychiatrist finds that a person subject to an order for involuntary medication has become competent pursuant to subsection 7625(c) of this title, the order shall no longer be in effect.

Third: In Sec. 10, 18 V.S.A. chapter 206, subchapter 3, in section 8847, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) A person committed under 13 V.S.A. § 4823 or this subchapter may be discharged as follows:

(1) by a Criminal Division Superior Court judge after an automatic 90-day review of placement at a forensic facility pursuant to subsection 8845(e) of this subchapter;

(2) by a Family Division Superior Court judge after judicial review of an order of custody, care, and habilitation; an order of continued custody, care, and habilitation; or placement at a forensic facility pursuant to subsection (b) of this section; or

(3) by administrative order of the Commissioner regarding an order of custody, care, and habilitation; an order of continued custody, care, and habilitation; or placement at a forensic facility pursuant to subsection (c) of this section.

Which was agreed to.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Health and Welfare, as amended? was agreed to and third reading of the bill was ordered.

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. Bartley and others,

By Senator Gulick,

H.C.R. 181.

House concurrent resolution recognizing June 24, 2024 as Saint-Jean-Baptiste Day in Vermont.

By Reps. Canfield and others,

By Senators Collamore, Bray, Hardy, Weeks and Williams,

H.C.R. 182.

House concurrent resolution congratulating the 2024 Fair Haven Union High School Slaters Division II championship girls' basketball team.

By Rep. Noyes,

By Senator Westman,

H.C.R. 183.

House concurrent resolution recognizing March 2024 as National Senior Nutrition Program Month in Vermont and celebrating over a half century of the federal Senior Nutrition Program.

By Reps. Hango and others,

By Senators Brock and Norris,

H.C.R. 184.

House concurrent resolution congratulating the Desorcie family on 60 years of wonderful and continuous family ownership of Desorcie's Market in Highgate Center.

By Reps. Masland and Holcombe,

By Senators Clarkson, MacDonald, McCormack and White,

H.C.R. 185.

House concurrent resolution congratulating the 2024 Thetford Academy Panthers Division III championship boys' basketball team.

By Reps. Casey and others,

H.C.R. 186.

House concurrent resolution celebrating the centennial of diplomatic relations between the Republic of Ireland and the United States and the continuing enthusiastic and warm friendship between the two nations.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 187.

House concurrent resolution congratulating the 2024 Mt. Anthony Union High School Patriots wrestling team on winning the school's 35th consecutive State championship.

By Reps. Morgan and others,

H.C.R. 188.

House concurrent resolution congratulating Milton High School junior Olivia Thomas on her individual track and field achievements.

By Rep. Noyes,

By Senator Brock,

H.C.R. 189.

House concurrent resolution designating March 28, 2024 as Alzheimer's Awareness Day at the State House.

By Reps. Durfee and others,

By Senators Bray, Campion, Hardy and Sears,

H.C.R. 190.

House concurrent resolution designating March 26, 2024 as Robert Frost Day in Vermont.

By the House Committee on Government Operations and Military Affairs,

H.C.R. 191.

House concurrent resolution recognizing March 25, 2024 as National Medal of Honor Day in Vermont.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, March 26, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 49.

TUESDAY, MARCH 26, 2024

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. 34

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 10. An act relating to amending the Vermont Employment Growth Incentive Program.

H. 289. An act relating to the Renewable Energy Standard.

H. 621. An act relating to health insurance coverage for diagnostic breast imaging.

H. 661. An act relating to child abuse and neglect investigation and substantiation standards and procedures.

H. 704. An act relating to disclosure of compensation in job advertisements.

H. 872. An act relating to miscellaneous updates to the powers of the Vermont Criminal Justice Council and the duties of law enforcement officers.

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

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

H.C.R. 181. House concurrent resolution recognizing June 24, 2024 as Saint-Jean-Baptiste Day in Vermont.

H.C.R. 182. House concurrent resolution congratulating the 2024 Fair Haven Union High School Slaters Division II championship girls' basketball team.

H.C.R. 183. House concurrent resolution recognizing March 2024 as National Senior Nutrition Program Month in Vermont and celebrating over a half century of the federal Senior Nutrition Program.

H.C.R. 184. House concurrent resolution congratulating the Desorcie family on 60 years of wonderful and continuous family ownership of Desorcie's Market in Highgate Center.

H.C.R. 185. House concurrent resolution congratulating the 2024 Thetford Academy Panthers Division III championship boys' basketball team.

H.C.R. 186. House concurrent resolution celebrating the centennial of diplomatic relations between the Republic of Ireland and the United States and the continuing enthusiastic and warm friendship between the two nations.

H.C.R. 187. House concurrent resolution congratulating the 2024 Mt. Anthony Union High School Patriots wrestling team on winning the school's 35th consecutive State championship.

H.C.R. 188. House concurrent resolution congratulating Milton High School junior Olivia Thomas on her individual track and field achievements.

H.C.R. 189. House concurrent resolution designating March 28, 2024 as Alzheimer's Awareness Day at the State House.

H.C.R. 190. House concurrent resolution designating March 26, 2024 as Robert Frost Day in Vermont.

H.C.R. 191. House concurrent resolution recognizing March 25, 2024 as National Medal of Honor Day in Vermont.

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

Rules Suspended; Bill Not Referred to Committee on Appropriations

S. 301

Appearing on the Calendar for notice, and, pending referral of the bill to the Committee on Appropriations pursuant to Senate Rule 31, Senator Kitchel moved that the rules be suspended and the Senate bill entitled:

An act relating to miscellaneous agricultural subjects.

Not be referred to the Committee on Appropriations pursuant to Senate Rule 31 (and thereby remain on the Calendar for notice),

Which was agreed to.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 50.

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. 50. Joint resolution relating to weekend adjournment on March 29, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 29, 2024, it be to meet again no later than Tuesday, April 2, 2024.

Bills Referred

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

H. 10.

An act relating to amending the Vermont Employment Growth Incentive Program.

To the Committee on Economic Development, Housing and General Affairs.

H. 289.

An act relating to the Renewable Energy Standard.

To the Committee on Natural Resources and Energy.

H. 621.

An act relating to health insurance coverage for diagnostic breast imaging.

To the Committee on Health and Welfare.

H. 661.

An act relating to child abuse and neglect investigation and substantiation standards and procedures.

To the Committee on Health and Welfare.

H. 704.

An act relating to disclosure of compensation in job advertisements.

To the Committee on Economic Development, Housing and General Affairs.

H. 872.

An act relating to miscellaneous updates to the powers of the Vermont Criminal Justice Council and the duties of law enforcement officers.

To the Committee on Government Operations.

Bills Passed

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

S. 58. An act relating to increasing the penalties for subsequent offenses for trafficking and dispensing or sale of a regulated drug with death resulting.

S. 184. An act relating to the use of automated traffic law enforcement (ATLE) systems.

S. 258. An act relating to the management of fish and wildlife.

Third Reading Ordered**H. 554.**

Senator Norris, 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 South Hero.

Reported that the bill ought to pass in concurrence.

Senator Brock, for the Committee on Finance, to which the bill was referred, reported 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.

Bill Amended; Third Reading Ordered

S. 204.

Senator Gulick, for the Committee on Education, to which was referred Senate bill entitled:

An act relating to reading assessment and intervention.

Reported recommending that the bill be amended 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) Literacy, particularly in early grades, is critical for success in future education, work, and life.

(2) Roughly half of Vermont students are still at or below proficiency.

(3) Research in recent years is clear. We know how to teach reading in a proven, evidence-based manner. Yet outdated practices linger in classrooms and in educator preparation programs.

* * * Reading Assessment and Intervention * * *

Sec. 2. 16 V.S.A. § 2907 is added to read:

§ 2907. KINDERGARTEN THROUGH GRADE THREE READING ASSESSMENT AND INTERVENTION

(a)(1) Annually, the Agency of Education shall update and publish a list of reviewed universal reading screeners and assessments to be used by supervisory unions and approved independent schools for determining reading skills and identifying students in kindergarten through grade three demonstrating reading struggles or showing characteristics associated with dyslexia.

(2) The Agency's review of universal reading screeners and assessments shall include a review of the evidence base of the screeners and assessments. In publishing the list required under subdivision (1) of this subsection, the

Agency shall issue guidance on measuring skills based on grade-level predictive measures, including:

- (A) phonemic awareness;
- (B) letter naming;
- (C) letter sound correspondence;
- (D) real- and nonword reading;
- (E) oral text reading accuracy and rate;
- (F) comprehension;
- (G) handwriting; and
- (H) spelling inventory.

(3) The screeners shall align with assessment guidance from the Agency, including that they shall, at a minimum:

- (A) be brief;
- (B) assist in identifying students at risk for or currently experiencing reading deficits; and
- (C) produce data that inform decisions related to the need for additional, targeted assessments and necessary layered supports, accommodations, interventions, or services for students, in accordance with existing federal and State law.

(b) All public schools and approved independent schools shall screen all students in kindergarten through grade three using age and grade-level appropriate universal reading screeners. The universal screeners shall be given in accordance with best practices and the technical specifications of the specific screener used. The Agency shall include in its guidance issued pursuant to subdivision (a)(2) of this section instances in which public and approved independent schools can leverage assessments that meet overlapping requirements and guidelines to maximize the use of assessments that provide the necessary data to understand student needs while minimizing the number of assessments used and the disruption to instructional time.

(c) Additional diagnostic assessment and evidence-based curriculum and instruction for students demonstrating a substantial deficit in reading or dyslexia characteristics shall be determined by data-informed decision-making within existing processes in accordance with required federal and State law. Specific instructional content, programs, strategies, interventions, and other identified supports for individual students shall be documented in the most appropriate plan informed by assessment and other data and as determined

through team-based decision making. These plans may include, as applicable, an education support team (EST) plan, 504 plan, individualized education plan, and a personalized learning plan. These plans shall include the following:

(1) the student's specific reading deficit as determined or identified by diagnostic assessment data;

(2) the goals and benchmarks for growth;

(3) the type of evidence-based instruction and supports the student will receive; and

(4) the strategies and supports available to the student's parent or legal guardian to support the student to achieve reading proficiency.

(d) Public and approved independent schools shall not use instructional strategies that do not have an evidence base, such as the three-cueing system. Evidence-based reading instructional practices, programs, or interventions provided pursuant to subsection (c) of this section shall be effective, explicit, systematic, and consistent with federal and State guidance and shall address the foundational concepts of literacy proficiency, including phonemic awareness, phonics, fluency, vocabulary, and comprehension.

(e) The parent or guardian of any kindergarten through grade three student who exhibits a reading deficit at any time during the school year shall be notified in writing not later than 30 days after the identification of the reading deficit. Written notification shall contain information consistent with the documentation requirements contained in subsection (d) of this section and shall follow the Agency's recommendations for such notification.

(f) Each local school district and approved independent school shall engage local stakeholders, as defined by the school district or approved independent school, to discuss the importance of reading and solicit suggestions for improving literacy and plans to increase reading proficiency.

(g) The Agency shall provide professional learning opportunities for educators in evidence-based reading instructional practices that address the areas of phonemic awareness, phonics, fluency, vocabulary, and comprehension.

(h) Each supervisory union and approved independent school shall annually report, in writing, to the Agency the following information and prior year performance, by school:

(1) the number and percentage of students in kindergarten through grade three performing below proficiency on local and statewide reading assessments, as applicable;

(2) the universal reading screeners utilized;

(3) the number and percentage of students identified with a potential reading deficit; and

(4) growth measure assessment data.

(i) On or before January 15 of each year, the Agency shall issue a written report to the Governor and the Senate and House Committees on Education on the status of State progress to improve literacy learning. The report shall include the information required pursuant to subsection (h) of this section.

Sec. 3. PARENTAL NOTIFICATION; AGENCY OF EDUCATION
RECOMMENDATIONS

On or before November 1, 2024, the Agency of Education shall develop and issue recommendations for the substance and form of the parental or guardian notification required under 16 V.S.A. § 2907(e). The Agency's recommendations shall be consistent with applicable State and federal law as well as legislative intent.

Sec. 4. REVIEWED READING SCREENERS; AGENCY OF EDUCATION;
REPORT

On or before January 15, 2025, the Agency of Education shall submit a written report to the Senate and House Committees on Education with a list of the reviewed universal reading screeners and assessments it has published pursuant to 16 V.S.A. § 2907. The Agency shall include any information it deems relevant to provide an understanding of the list of reviewed screeners and assessments.

Sec. 5. 16 V.S.A. § 2903 is amended to read:

§ 2903. PREVENTING EARLY SCHOOL FAILURE; READING
INSTRUCTION

(a) Statement of policy. The ability to read is critical to success in learning. Children who fail to read by the end of the first grade will likely fall further behind in school. The personal and economic costs of reading failure are enormous both while the student remains in school and long afterward. All students need to receive systematic and explicit evidence-based reading instruction in the early grades from a teacher who is skilled in teaching the foundational components of reading through a variety of instructional strategies that take into account the different learning styles and language backgrounds of the students, including phonemic awareness, phonics, fluency, vocabulary, and comprehension. ~~Some students may~~ Students who require intensive supplemental instruction tailored to the unique difficulties encountered shall be provided those additional supports by an appropriately licensed and trained education professional.

(b) Foundation for literacy.

(1) ~~The State Board~~ Agency of Education, in collaboration with the ~~State Board of Education, the~~ Agency of Human Services, higher education, literacy organizations, and others, shall develop a plan for establishing a comprehensive system of services for early education in ~~the first three grades~~ prekindergarten through third grade to ensure that all students learn to read by the end of the third grade. The plan shall be updated at least once every five years following its initial submission in 1998.

(2) Approved independent schools shall develop a grade-level appropriate school literacy plan that is informed by student needs and assessment data. The plan may include identification of a literacy vision, goals, and priorities and shall address the following topics:

(A) measures and indicators;

(B) screening, assessment, instruction and intervention, and progress monitoring, consistent with section 2907 of this title; and

(C) professional development for all unlicensed teachers consistent with subsection 1710(b) of this title.

(c) Reading instruction. A public school that offers instruction in grades ~~prekindergarten, kindergarten, one, two, or three~~ shall provide ~~highly effective, research-based~~ systemic and explicit evidence-based reading instruction to all students. In addition, a school shall provide:

(1) supplemental reading instruction to any enrolled student in grade four whose reading proficiency falls below third grade reading expectations proficiency standards for the student's grade level or whose reading proficiency prevents success in school, as identified using the tiered system of supports, as defined under subdivision 164(9) section 2902 of this title;

(2) supplemental reading instruction to any enrolled student in grades 5-12 whose reading proficiency creates a barrier to the student's success in school; and

(3) support and information to parents and legal guardians.

Sec. 6. LITERACY PLAN IMPLEMENTATION; APPROVED
INDEPENDENT SCHOOLS

All approved independent schools shall develop a grade-level appropriate school literacy plan pursuant to 16 V.S.A. § 2903(b)(2) on or before January 1, 2025.

* * * Literacy Professional Learning* * *

Sec. 7. 16 V.S.A. § 1710 is added to read:

§ 1710. LITERACY PROFESSIONAL LEARNING

(a) Definition. As used in this section, “professionally licensed” means a nonconditional, current license comparable to a level I or level II Vermont educator license and does not include provisional, emergency, teaching intern, or apprenticeship licenses or their equivalent in other states.

(b) Professionally licensed educators.

(1) On or before July 1, 2027, all professionally licensed Vermont teachers employed in a Vermont public or approved independent school shall complete a program of professional learning on evidence-based literacy instruction developed and offered or approved by the Vermont Agency of Education.

(2) After July 1, 2026, all newly professionally licensed Vermont teachers employed in a Vermont public or approved independent school shall complete a program of professional learning on evidenced-based literacy instruction developed and offered or approved by the Agency before the end of the teacher’s second year of teaching.

(3) Professional learning programs approved by the Agency pursuant to this section shall be substantially similar in content to professional learning programs developed and offered by the Agency pursuant to this section.

(c) Unlicensed teachers employed by an approved independent school. On or before July 1, 2027, all unlicensed teachers employed by an approved independent school shall complete an explicit, evidence-based literacy instruction professional development program. The professional development program shall be approved by the approved independent school and may be differentiated by grade level, role, and experience and may account for prior training. Unlicensed teachers hired by an approved independent school on or after July 1, 2026 shall complete a professional development program pursuant to this subsection within one year after hire. An approved independent school shall maintain a record of completion of professional development consistent with this provision.

Sec. 8. RESULTS-ORIENTED PROGRAM APPROVAL

(a) On or before July 1, 2025, the Agency of Education shall submit recommendations to the Vermont Standards Board for Professional Educators on how to strengthen educator preparation programs’ teaching of evidence-based literacy practices. The Agency shall also simultaneously communicate its recommendations to Vermont’s educator preparation programs and submit

its recommendations in writing to the Senate and House Committees on Education.

(b) On or before July 1, 2026, the Vermont Standards Board for Professional Educators shall consider the Agency's recommendations pursuant to subsection (a) of this section and, as appropriate, update the educator preparation requirements in Agency of Education, Licensing of Educators and the Preparation of Educational Professionals (5000) (CVR 022-000-010).

(c) As part of its review under subsection (a) of this section, the Agency shall make recommendations to the Vermont Standards Board for Professional Educators regarding whether an additional mandatory examination is needed to assess candidates for educator licensure skills in mathematics and English language arts fundamentals, as well as candidates' understanding of the importance of evidence-based approaches to literacy and numeracy, beyond the requirements in Agency of Education, Licensing of Educators and the Preparation of Educational Professionals (5000) (CVR 022-000-010) in effect during the period of the Agency's review.

* * * Advisory Council on Literacy * * *

Sec. 9. 16 V.S.A. § 2903a is amended to read:

§ 2903a. ADVISORY COUNCIL ON LITERACY

(a) Creation. There is created the Advisory Council on Literacy. The Council shall advise the Agency of Education, the State Board of Education, and the General Assembly on how to improve proficiency outcomes in literacy for students in prekindergarten through grade 12 and how to sustain those outcomes.

(b) Membership. The Council shall be composed of the following ~~16~~ 19 members:

(1) ~~eight~~ nine members who shall serve as ex officio members:

(A) the Secretary of Education or designee;

(B) a member of the Standards Board for Professional Educators who is knowledgeable in licensing requirements for teaching literacy, appointed by the Standards Board;

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

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

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

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

(G) the Executive Director of the Vermont Independent Schools Association or designee; ~~and~~

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

(I) the State Librarian or designee;

(2) eight members who shall serve two-year terms:

(A) a representative, appointed by the Vermont Curriculum Leaders Association;

(B) three teachers, appointed by the Vermont-National Education Association, who teach literacy, one of whom shall be a special education literacy teacher and two of whom shall teach literacy to students in prekindergarten through grade three;

(C) three community members who have struggled with literacy proficiency or supported others who have struggled with literacy proficiency, one of whom shall be a high school student, appointed by the Agency of Education in consultation with the Vermont Family Network; and

(D) one member appointed by the Agency of Education who has expertise in working with students with dyslexia; ~~and~~

(3) two faculty members of approved educator preparation programs located in Vermont, one of whom shall be employed by a private college or university, appointed by the Agency of Education in consultation with the Association of Vermont Independent Colleges, and one of whom shall be employed by a public college or university, appointed by the Agency of Education in consultation with the University of Vermont and State Agricultural College and the Vermont State Colleges Corporation.

* * *

(d) Powers and duties. The Council shall advise the Agency Secretary of Education, ~~the State Board of Education, and the General Assembly~~ on how to improve proficiency outcomes in literacy for students in prekindergarten through grade 12 and how to sustain those outcomes and shall:

(1) advise the ~~Agency of Education~~ Secretary on how to:

(A) update section 2903 of this title;

(B) implement the statewide literacy plan required by section 2903 of this title and whether, based on its implementation, changes should be made to the plan; and

-
- (C) maintain the statewide literacy plan;
- (2) advise the ~~Agency of Education~~ Secretary on what services the Agency should provide to school districts to support implementation of the plan and on staffing levels and resources needed at the Agency to support the statewide effort to improve literacy;
- (3) develop a plan for collecting literacy-related data that informs:
- (A) literacy instructional practices;
- (B) teacher professional development in the field of literacy;
- (C) what proficiencies and other skills should be measured through literacy assessments and how those literacy assessments are incorporated into local assessment plans; and
- (D) how to identify school progress in achieving literacy outcomes, including closing literacy gaps for students from historically underserved populations;
- (4) recommend best practices for Tier 1, Tier 2, and Tier 3 literacy instruction within the multitiered system of supports required under section 2902 of this title to best improve and sustain literacy proficiency; and
- (5) review literacy assessments and outcomes and provide ongoing advice as to how to continuously improve those outcomes and sustain that improvement.

* * *

(f) Meetings.

- (1) The Secretary of Education shall call the first meeting of the Council to occur on or before August 1, 2021.
- (2) The Council shall select a chair from among its members.
- (3) A majority of the membership shall constitute a quorum.
- (4) The Council shall meet not more than ~~eight~~ four times per year.

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

(h) Compensation and reimbursement. Members of the Council shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than ~~eight~~ four meetings of the Council per year.

Sec. 10. 2021 Acts and Resolves No. 28, Sec. 7 is amended to read:

Sec. 7. REPEAL; ADVISORY COUNCIL ON LITERACY

16 V.S.A. § 2903a (Advisory Council on Literacy) as added by this act is repealed on June 30, ~~2024~~ 2027.

* * * Agency of Education Literacy Position * * *

Sec. 11. 2021 Acts and Resolves No. 28, Sec. 4(a) is amended to read:

(a) There is appropriated to the Agency of Education from the American Rescue Plan Act of 2021 pursuant to Section 2001(f)(4), Pub. L. No. 117-2 in fiscal year 2022 the amount of \$450,000.00 for the costs of the contractor or contractors under Sec. 3 of this act for fiscal years 2022, 2023, and 2024. The Agency may shift the use of this funding from the contractor or contractors to a limited service position ~~that would expire at the end of fiscal year 2024~~ within the Agency focused on coordinating the Statewide literacy efforts.

Sec. 12. AGENCY OF EDUCATION; LITERACY POSITION;
APPROPRIATION

(a) The conversion of the limited service position within the Agency of Education authorized pursuant to 2021 Acts and Resolves No. 28, Sec. 4(a) to a classified permanent status is authorized in fiscal year 2025.

(b) The sum of \$150,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2025 for personal services and operating expenses for the position converted pursuant to subsection (a) of this section.

* * * Expanding Early Childhood Literacy Resources * * *

Sec. 13. EXPANDING EARLY CHILDHOOD LITERACY RESOURCES;
REPORT

On or before January 15, 2025, the Department of Libraries shall submit a written report to the Senate and House Committees on Education with recommendations for expanding access to early childhood literacy resources with a focus on options that target low-income or underserved areas of the State. Options considered by the Advisory Council shall include State or local partnership with or financial support for book gifting programs, book distribution programs, and any other compelling avenue for supporting early childhood literacy in Vermont.

* * * Effective Date * * *

Sec. 14. EFFECTIVE DATE

This act shall take effect on passage.

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

“An act relating to supporting Vermont’s young readers through evidence-based literacy instruction.”

And that when so amended the bill ought to pass.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported recommending that the report of the Committee on Education be amended as follows:

By striking out Sec. 12, Agency of Education; literacy position; appropriation, in its entirety and inserting in lieu thereof the following:

Sec. 12. [Deleted.]

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of the Committee on Education was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Education, as amended?, was agreed to and third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 220.

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

An act relating to Vermont's public libraries.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Library Policies; Selection and Retention of Library Materials * * *

Sec. 1. 22 V.S.A. § 67 is amended to read:

§ 67. PUBLIC LIBRARIES; STATEMENT OF POLICY; USE OF FACILITIES AND RESOURCES

* * *

(c) To ensure that Vermont libraries protect and promote the principles of free speech, inquiry, discovery, and public accommodation, it is necessary that the trustees, managers, or directors of free public libraries adopt policies that comply with the First Amendment to the U.S. Constitution and State and federal civil rights and antidiscrimination laws.

Sec. 2. 22 V.S.A. § 69 is added to read:

§ 69. PUBLIC LIBRARIES; SELECTION AND RECONSIDERATION OF LIBRARY MATERIALS

A public library shall adopt a policy for the selection and reconsideration of library materials that complies with the First Amendment to the U.S. Constitution, the Civil Rights Act of 1964, and State laws prohibiting discrimination in places of public accommodation. A public library may adopt as its policy a model policy adopted by the Department of Libraries pursuant to section 606 of this title.

* * * Confidentiality of Library Records; Minors * * *

Sec. 3. 22 V.S.A. § 172 is amended to read:

§ 172. LIBRARY RECORD CONFIDENTIALITY; EXEMPTIONS

* * *

(b) Unless authorized by other provisions of law, the library's officers, employees, and volunteers shall not disclose the records except:

* * *

(4) to custodial parents or guardians of patrons under ~~age 16~~ 12 years of age; or

* * *

* * * Public Safety * * *

Sec. 4. 13 V.S.A. § 1702 is amended to read:

§ 1702. CRIMINAL THREATENING

* * *

(d) A person who violates subsection (a) of this section by making a threat that places any person in reasonable apprehension that death, serious bodily injury, or sexual assault will occur at a public or private school; postsecondary education institution; public library; place of worship; polling place during election activities; the Vermont State House; or any federal, State, or municipal building shall be imprisoned not more than two years or fined not more than \$2,000.00, or both.

* * *

(h) As used in this section:

* * *

(12) “Public library” means a public library as defined in 22 V.S.A. § 101.

* * *

* * * Library Governance * * *

Sec. 5. 22 V.S.A. § 105 is amended to read:

§ 105. GENERAL POWERS

(a) The trustees, managers, or directors shall:

(1) elect the officers of the corporation from their number and have the control and management of the affairs, finances, and property of the corporation;

(2) adopt bylaws and policies governing the operation of the library;

(3) establish a library budget;

(4) hold regular meetings; and

(5) ensure compliance with the terms of any funding, grants, or bequests.

(b) The Trustees, managers, or directors may:

(1) accept donations and, in their discretion, hold the donations in the form in which they are given for the purposes of science, literature, and art germane to the objects and purposes of the corporation. They may; and

(2) in their discretion, receive by loan books, manuscripts, works of art, and other library materials and hold or circulate them under the conditions specified by the owners.

Sec. 6. 22 V.S.A. § 143 is amended to read:

§ 143. TRUSTEES

(a) Unless a municipality ~~which~~ that has established or shall establish a public library votes at its annual meeting to elect a board of trustees, the governing body of the municipality shall appoint the trustees. The appointment or election of the trustees shall continue in effect until changed at an annual meeting of the municipality. When trustees are first chosen, they shall be elected or appointed for staggered terms.

(b) The board shall consist of not less than five trustees who shall have full power to:

(1) manage the public library, ~~make~~ and any property that shall come into the hands of the municipality by gift, purchase, devise, or bequest for the use and benefit of the library;

(2) adopt bylaws, and policies governing the operation of the library;

~~(3) elect officers, establish a library policy and receive, control and manage property which shall come into the hands of the municipality by gift, purchase, devise or bequest for the use and benefit of the library;~~

(4) establish a library budget;

(5) hold regular meetings; and

(6) ensure compliance with the terms of any funding, grants, or bequests.

(c) The board may appoint a director for the efficient administration and conduct of the library. A library director shall be under the supervision and control of the library board of trustees.

~~(b) When trustees are first chosen, they shall be elected or appointed for staggered terms.~~

* * * Department of Libraries * * *

Sec. 7. 22 V.S.A. § 606 is amended to read:

§ 606. OTHER DUTIES AND FUNCTIONS

The Department, in addition to the functions specified in section 605 of this title:

* * *

(5) May Shall provide a continuing education program for a Certificate in Public Librarianship. The Department shall conduct seminars, workshops, and other programs to increase the professional competence of librarians in the State.

* * *

~~(8) Shall be the primary access point for State information, and provide advice on State information technology policy.~~

(9) May develop and adopt model policies for free public libraries concerning displays, meeting room use, patron behavior, internet use, materials reconsideration, and other relevant topics to ensure substantive compliance with the First Amendment to the U.S. Constitution and Vermont laws prohibiting discrimination.

(10) Shall adopt a collection development policy that reflects Vermont's diverse people and history, including diversity of race, ethnicity, sex, gender identity, sexual orientation, disability status, religion, and political beliefs.

(11) May develop best practices and guidelines for public libraries and library service levels.

* * * Effective Date * * *

Sec. 8. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported that the bill ought to pass when so amended.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Education?, Senators Gulick, Campion, Hardy and Hashim moved to amend the recommendation of amendment of the Committee on Education by adding a reader assistance heading and one new section to be Sec. 7a to read as follows:

* * * School Library Material Selection * * *

Sec. 7a. 16 V.S.A. § 1624 is added to read:

§ 1624. SCHOOL LIBRARY MATERIAL SELECTION POLICY

(a) Each school board and each approved independent school shall develop, adopt, ensure the enforcement of, and make available in the manner described under subdivision 563(1) of this title a library material selection policy and procedures for the reconsideration of materials. The policy and procedures shall affirm the importance of intellectual freedom and be guided by the First Amendment to the U.S. Constitution, the American Library Association's Freedom to Read Statement, and Vermont's Freedom to Read Statement.

(b) In order to ensure a student's First Amendment rights are protected and all students' identities are affirmed and dignity respected, the policy and procedures required under subsection (a) of this section shall prohibit the removal of school library materials for the following reasons:

(1) partisan approval or disapproval;

(2) the author's race, nationality, gender identity, sexual orientation, political views, or religious views;

(3) school board members' or members of the public's discomfort, personal morality, political views, or religious views;

(4) the author's point of view concerning the problems and issues of our time, whether international, national, or local;

(5) the race, nationality, gender identity, sexual orientation, political views, or religious views of the protagonist or other characters; or

(6) content related to sexual health that addresses physical, mental, emotional, or social dimensions of human sexuality, including puberty, sex, and relationships.

(c) The policy and procedures required under subsection (a) of this section shall ensure that school library staff are responsible for curating and developing collections that provide students with access to a wide array of materials that are relevant to students' research, independent reading interests, and educational needs, as well as ensuring such materials are tailored to the cognitive and emotional levels of the children served by the school.

Which was agreed to.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Education, as amended?, was agreed to and third reading of the bill was ordered.

Joint Assembly

At ten o'clock and thirty minutes in the morning, the hour having arrived for the meeting of the two Houses in Joint Assembly pursuant to:

J.R.S. 47. Joint resolution providing for a Joint Assembly to vote on the retention of two Superior Judges and one Magistrate.

The Senate repaired to the hall of the House.

Having returned therefrom, at eleven o'clock and thirty-five minutes in the morning, the President assumed the Chair.

Bill Amended; Third Reading Ordered

S. 254.

Senator Watson, for the Committee on Natural Resources and Energy, to which was referred Senate bill entitled:

An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program.

Reported recommending that the bill be amended as follows:

First: In Sec. 1, 10 V.S.A. § 7581, definitions, by striking out subdivision (2) in its entirety and inserting in lieu thereof the following new subdivision (2):

(2)(A) "Battery-containing product" means an electronic product that contains primary or rechargeable batteries that are easily removable or is packaged with rechargeable or primary batteries.

(B) A “battery-containing product” does not include an electronic product regulated under an approved plan implemented under chapter 166 of this title.

(C) A “battery-containing product” does not include an electronic product if:

(i) the only batteries contained in or supplied with the battery-containing product are supplied by a producer that has joined a registered battery stewardship organization as the producer for that covered battery; and

(ii) the producer of the covered batteries that are included in a battery-containing product provides a written certification of that membership to both the producer of the battery-containing product containing one or more covered batteries and the battery stewardship organization of which the battery producer is a member.

Second: In Sec. 1, 10 V.S.A. § 7581, in subdivision (16)(A)(ii), after the semicolon, by striking out “and” and inserting in lieu thereof or

And that when so amended the bill ought to pass.

Senator Bray, for the Committee on Finance, to which the bill was referred, reported that the bill ought to pass when so amended.

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

Bill Amended; Third Reading Ordered

S. 98.

Senator Lyons, for the Committee on Health and Welfare, to which was referred Senate bill entitled:

An act relating to Green Mountain Care Board authority over prescription drug costs.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. GREEN MOUNTAIN CARE BOARD; PRESCRIPTION DRUG COST REGULATION PROGRAM; IMPLEMENTATION PLAN

(a) The Green Mountain Care Board, in consultation with its own technical advisory groups and other State agencies, shall explore and create a framework and methodology for implementing a program to regulate the cost of prescription drugs for Vermont consumers and Vermont’s health care system.

The Board shall consider options for and likely impacts of regulating the cost of prescription drugs, including:

(1) the experiences of states that have developed prescription drug affordability boards;

(2) the Centers for Medicare and Medicaid Services' development and operation of the Medicare Drug Price Negotiation Program;

(3) other promising federal and state strategies for lowering prescription drug costs;

(4) the Board's existing authority to set rates, adopt rules, and establish technical advisory groups;

(5) the likely return on investment of the most promising program options; and

(6) the impact of implementing a program to regulate the costs of prescription drugs on other State agencies and on the private sector.

(b)(1) On or before January 15, 2025, the Board shall provide its preliminary plan for implementing a program to regulate the cost of prescription drugs in Vermont, and any proposals for legislative action needed to implement the program, to the House Committee on Health Care and the Senate Committee on Health and Welfare.

(2) On or before January 15, 2026, the Board shall provide its final plan for implementing a program to regulate the cost of prescription drugs in Vermont, along with proposals for addressing any additional identified legislative needs, to the House Committee on Health Care and the Senate Committee on Health and Welfare.

(c)(1) The following permanent classified positions are created at the Green Mountain Care Board to lead the exploration, development, and implementation of the prescription drug regulation program:

(A) one Director of Prescription Drug Pricing; and

(B) one Policy Analyst Prescription Drug Pricing.

(2) The sum of \$245,000.00 is appropriated to the Green Mountain Care Board from the Evidence-Based Education and Advertising Fund in fiscal year 2025 for the positions created in this subsection.

(d)(1) The Green Mountain Care Board shall have legal assistance as needed from the Office of the Attorney General.

(2) The sum of \$250,000.00 is appropriated to the Green Mountain Care Board from the Evidence-Based Education and Advertising Fund in fiscal year

2025 to contract with experts on prescription drug-related issues to assist the Board in its work under this section.

Sec. 2. 33 V.S.A. § 2004 is amended to read:

§ 2004. MANUFACTURER FEE

(a) Annually, each pharmaceutical manufacturer or labeler of prescription drugs that are paid for by the Department of Vermont Health Access for individuals participating in Medicaid, Dr. Dynasaur, or VPharm shall pay a fee to the Agency of Human Services. The fee shall be 1.75 percent of the previous calendar year's prescription drug spending by the Department and shall be assessed based on manufacturer labeler codes as used in the Medicaid rebate program.

(b) Fees collected under this section shall fund collection and analysis of information on pharmaceutical marketing activities under 18 V.S.A. §§ 4632 and 4633; analysis of prescription drug data needed by the Office of the Attorney General for enforcement activities; the Vermont Prescription Monitoring System established in 18 V.S.A. chapter 84A; the evidence-based education program established in 18 V.S.A. chapter 91, subchapter 2; the Green Mountain Care Board's prescription drug cost regulation initiatives; statewide unused prescription drug disposal initiatives; prevention of prescription drug misuse, abuse, and diversion; the Substance Misuse Prevention Oversight and Advisory Council established in 18 V.S.A. § 4803; treatment of substance use disorder; exploration of nonpharmacological approaches to pain management; a hospital antimicrobial program for the purpose of reducing hospital-acquired infections; the purchase and distribution of fentanyl testing strips; the purchase and distribution of naloxone to emergency medical services personnel; and any opioid-antagonist education, training, and distribution program operated by the Department of Health or its agents. The fees shall be collected in the Evidence-Based Education and Advertising Fund established in section 2004a of this title.

(c) The Secretary of Human Services or designee shall ~~make~~ adopt rules for the implementation of this section.

(d) The Department shall maintain on its website a list of the manufacturers who have failed to provide timely payment as required under this section.

Sec. 3. 33 V.S.A. § 2004a is amended to read:

§ 2004a. EVIDENCE-BASED EDUCATION AND ADVERTISING FUND

(a) The Evidence-Based Education and Advertising Fund is established in the State Treasury as a special fund to be a source of financing for activities

relating to fund collection and analysis of information on pharmaceutical marketing activities under 18 V.S.A. §§ 4632 and 4633; for analysis of prescription drug data needed by the Office of the Attorney General for enforcement activities; for the Vermont Prescription Monitoring System established in 18 V.S.A. chapter 84A; for the evidence-based education program established in 18 V.S.A. chapter 91, subchapter 2; for the Green Mountain Care Board's prescription drug cost regulation initiatives; for statewide unused prescription drug disposal initiatives; for the prevention of prescription drug misuse, abuse, and diversion; for the Substance Misuse Prevention Oversight and Advisory Council established in 18 V.S.A. § 4803; for treatment of substance use disorder; for exploration of nonpharmacological approaches to pain management; for a hospital antimicrobial program for the purpose of reducing hospital-acquired infections; for the purchase and distribution of fentanyl testing strips; for the purchase and distribution of naloxone to emergency medical services personnel; and for the support of any opioid-antagonist education, training, and distribution program operated by the Department of Health or its agents. Monies deposited into the Fund shall be used for the purposes described in this section.

* * *

(d) Monies from the Fund to support the Green Mountain Care Board's prescription drug cost regulation initiatives shall not exceed \$1,000,000.00 in any one fiscal year.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Lyons, for the Committee on Appropriations, to which the bill was referred, reported recommending that the recommendation of amendment of the Committee on Health and Welfare be amended in Sec. 3, 33 V.S.A. § 2004a, by striking out subsection (d) in its entirety

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of amendment of the Committee on Health and Welfare was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Health and Welfare, as amended?, was agreed to and third reading of the bill was ordered.

Bill Amended; Third Reading Ordered**S. 114.**

Senator Gulick, for the Committee on Health and Welfare, to which was referred Senate bill entitled:

An act relating to removal of criminal penalties for possessing, dispensing, or selling psilocybin and establishment of the Psychedelic Therapy Advisory Working Group.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. PSYCHEDELIC THERAPY ADVISORY WORKING GROUP;
STUDY

(a) Creation. There is created the Psychedelic Therapy Advisory Working Group to examine the use of psychedelics to improve physical and mental health and to make findings and recommendations regarding the advisability of the establishment of a State program similar to other jurisdictions to permit health care providers to administer psychedelics in a therapeutic setting and the impact on public health of allowing individuals to legally access psychedelics under State law.

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

(1) a representative of the Larner College of Medicine at the University of Vermont, appointed by the Dean;

(2) a representative of the Brattleboro Retreat, appointed by the President and Chief Executive Officer;

(3) a member of the Vermont Psychological Association, appointed by the President;

(4) a member of the Vermont Psychiatric Association, appointed by the President;

(5) the Executive Director of the Vermont Board of Medical Practice or designee;

(6) the Director of the Vermont Office of Professional Regulation or designee;

(7) the Vermont Commissioner of Health or designee; and

(8) a co-founder of the Psychedelic Society of Vermont.

(c) Powers and duties.

(1) The Working Group shall:

(A) review the latest research and evidence of the public health benefits and risks of clinical psychedelic assisted treatments and of criminalization of psychedelics under State law;

(B) examine the laws and programs of other states that have authorized the use of psychedelics by health care providers in a therapeutic setting and necessary components and resources if Vermont were to pursue such a program;

(C) provide an opportunity for individuals with lived experience to provide testimony in both a public setting and through confidential means, due to stigma and current criminalization of the use of psychedelics; and

(D) provide potential timelines for universal and equitable access to psychedelic assisted treatments.

(2) The Working Group shall seek testimony from Johns Hopkins' Center for Psychedelic and Consciousness Research and Decriminalize Nature, in addition to any other individuals or entities with an expertise in psychedelics.

(d) Assistance. The Working Group shall have the assistance of the Vermont Psychological Association for purposes of scheduling and staffing meetings and developing and submitting the report required by subsection (e) of this section.

(e) Report. On or before November 15, 2024, the Working Group shall submit a written report to the House and Senate Committees on Judiciary, the House Committee on Health Care, the House Committee on Human Services, and the Senate Committee on Health and Welfare with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Vermont Psychological Association shall call the first meeting of the Working Group to occur on or before July 15, 2024.

(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 January 1, 2025.

(g) Compensation and reimbursement. Members of the Working Group shall be entitled to per diem compensation and reimbursement of expenses as

permitted under 32 V.S.A. § 1010 for not more than eight meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

“An act relating to the establishment of the Psychedelic Therapy Advisory Working Group.”

And that when so amended the bill ought to pass.

Senator Lyons, for the Committee on Appropriations, to which the bill was referred, reported that the bill ought to pass when so amended.

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

Bill Amended; Third Reading Ordered

S. 120.

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

An act relating to postsecondary schools and sexual misconduct protections.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 16 V.S.A. § 184 is added to read:

§ 184. STUDENT ACCESS TO CONFIDENTIAL SEXUAL MISCONDUCT SUPPORT SERVICES; COLLABORATION WITH EXTERNAL PARTNERS

(a) Postsecondary schools shall ensure students have access to confidential sexual misconduct support services covered by victim and crisis worker privilege under applicable law, either on or off campus. Nothing in this subsection shall be construed to prohibit a postsecondary school from also facilitating student access to support services not covered by a victim and crisis worker privilege.

(b) If a postsecondary school is working with an external provider to provide confidential support services on its behalf, pursuant to subsection (a) of this section, and those support services are beyond those the external provider may provide as a matter of course to the general public, the

postsecondary school shall enter into, and maintain, an agreement with the external provider. Agreements may address:

(1) assistance in development or delivery of programming and training regarding sexual misconduct involving students;

(2) collaborative marketing to make the campus community aware of the availability of confidential services from the external provider, either on or off campus, such as sexual assault crisis services, domestic violence crisis services, and sexual assault nurse examiner services;

(3) reciprocal education of school and external provider personnel to ensure a mutual understanding of the other's role, responsibilities, and processes for receiving disclosures of sexual misconduct, the provision of support services, and options for resolution;

(4) reporting of data as required by federal law, if applicable, as well as reporting of de-identified aggregate information that will aid the school in identifying and addressing trends of concern; and

(5) use of school-provided space to meet confidentially with members of the campus community.

(c) All agreements executed pursuant to subsection (b) of this section shall be independently negotiated between the postsecondary school and external providers.

Sec. 2. 16 V.S.A. § 185 is added to read:

§ 185. AMNESTY PROTECTIONS

Postsecondary schools shall create and adopt an amnesty policy that prohibits disciplinary action against a student reporting or otherwise participating in a school sexual misconduct resolution process for alleged ancillary policy violations related to the sexual misconduct incident at issue; provided, however, the school may take disciplinary action if it determines that the conduct giving rise to the alleged ancillary policy violation placed or threatened to place the health and safety of another person at risk. This policy shall not be construed to limit a counter-complaint made in good faith or to prohibit action as to a report made in good faith.

Sec. 3. 16 V.S.A. § 186 is added to read:

§ 186. ANNUAL AWARENESS PROGRAMMING AND TRAINING

(a) A postsecondary school shall offer annual trauma-informed, inclusive, and culturally relevant sexual misconduct primary prevention and awareness programming to all students, staff, and faculty of the school. Primary

prevention and awareness programming shall address, in a manner appropriate for the audience:

(1) an explanation of consent as it applies to sexual activity and sexual relationships;

(2) the role drugs and alcohol play in an individual's ability to consent;

(3) information about on and off-campus options for reporting of an incident of sexual misconduct, including confidential and anonymous disclosure mechanisms, and the effects of each option;

(4) information on the school's procedures for resolving sexual misconduct complaints and the range of sanctions the school may impose on those found responsible for a violation;

(5) the name and contact information of school officials responsible for coordination of supportive measures and an overview of the types of supportive measures available;

(6) the name, contact information, and services of confidential resources, on and off campus;

(7) strategies for bystander intervention and risk reduction;

(8) how to directly access health services, mental health services, and confidential resources both on and off-campus;

(9) opportunities for ongoing sexual misconduct prevention and awareness training and programming; and

(10) best practices for responding to disclosures of sexual misconduct.

(b) Information on the training topics contained in subsection (a) of this section, including on and off campus supportive measures for reporting parties, shall be available in a centrally located place on the schools' website.

(c) Schools shall endeavor to collaborate with community partners, such as local and statewide law enforcement, local and statewide prosecution offices, health care service providers, confidential service providers, and other relevant stakeholders, regarding the inclusion of appropriate information about the relevant stakeholders' respective roles and offerings in primary prevention and awareness programming.

Sec. 4. REPEAL

2021 Acts and Resolves No. 68, Sec. 7 (Intercollegiate Sexual Harm Prevention Council 2025 repeal) is repealed.

Sec. 5. 16 V.S.A. § 2187 is redesignated and amended to read:

§ 2487 183. INTERCOLLEGIATE SEXUAL HARM PREVENTION
COUNCIL

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

* * *

(c) Duties. The Council shall:

* * *

(7) create or promote annual training opportunities addressing prevention and sexual assault response processes open to representatives from all Vermont postsecondary schools.

* * *

Sec. 6. APPROPRIATION

The sum of \$22,000.00 is appropriated from the General Fund to the Center for Crime Victim Services in fiscal year 2025 to provide a grant for the purpose of staffing the Intercollegiate Sexual Harm Prevention Council and to provide per diem compensation and reimbursement of expenses for members who are not otherwise compensated by the member's employer for attendance at meetings.

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported recommending that the recommendation of the Committee on Education be amended as follows:

By striking out Sec. 6, appropriation, in its entirety and inserting in lieu thereof the following:

Sec. 6. [Deleted.]

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of the Committee on Education was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Education, as amended?, was agreed to and third reading of the bill was ordered.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, March 27, 2024.

WEDNESDAY, MARCH 27, 2024

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. 35

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 121. An act relating to enhancing consumer privacy.

H. 639. An act relating to flood risk disclosure, accessibility standards for State-funded residential construction, housing accountability, and recovery residence evictions.

H. 706. An act relating to banning the use of neonicotinoid pesticides.

H. 845. An act relating to designating November as Vermont Month of the Veteran.

H. 878. An act relating to miscellaneous judiciary procedures.

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

Bills Referred

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

H. 121.

An act relating to enhancing consumer privacy.

To the Committee on Economic Development, Housing and General Affairs.

H. 639.

An act relating to flood risk disclosure, accessibility standards for State-funded residential construction, housing accountability, and recovery residence evictions.

To the Committee on Economic Development, Housing and General Affairs.

H. 706.

An act relating to banning the use of neonicotinoid pesticides.

To the Committee on Agriculture.

H. 845.

An act relating to designating November as Vermont Month of the Veteran.

To the Committee on Government Operations.

H. 878.

An act relating to miscellaneous judiciary procedures.

To the Committee on Judiciary.

Bill Passed

Senate bill of the following title was read the third time and passed:

S. 192. An act relating to forensic facility admissions criteria and processes.

Bill Passed on a Roll Call

Senate bill of the following title was read the third time, and passed, on a roll call, Yeas 23, Nays 5.

S. 98. An act relating to Green Mountain Care Board authority over prescription drug costs.

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, Cummings, Gulick, Hardy, Harrison, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, White, Wrenner.

Those Senators who voted in the negative were: Collamore, Ingalls, Norris, Weeks, Williams.

Those Senators absent and not voting were: Hashim, Mazza.

Bills Passed

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

S. 114. An act relating to removal of criminal penalties for possessing, dispensing, or selling psilocybin and establishment of the Psychedelic Therapy Advisory Working Group.

S. 120. An act relating to postsecondary schools and sexual misconduct protections.

S. 204. An act relating to reading assessment and intervention.

Bill Amended; Bill Passed

S. 220.

Senate bill entitled:

An act relating to Vermont's public libraries.

Was taken up.

Thereupon, pending third reading of the bill, Senator Wrenner moved to amend the bill as follows:

In Sec. 6, 22 V.S.A. § 143, in subsection (b), following “The board shall consist of not” by striking out the word “less” and inserting in lieu thereof the word fewer

Which was agreed to.

Thereupon, the bill was read the third time and passed, on a roll call, Yeas 23. Nays 6.

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, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, 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.

The Senator absent and not voting was: Mazza.

Bill Amended; Bill Passed

S. 254.

Senate bill entitled:

An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program.

Was taken up.

Thereupon, pending third reading of the bill, Senator Bray moved to amend the bill as follows:

First: In Sec. 1, 10 V.S.A. chapter 168, after section 7590, by inserting the following:

Subchapter 5. Private Right of Action

§ 7591. PRIVATE RIGHT OF ACTION

(a) Action against producer with no ~~primary~~ battery stewardship plan. A producer, ~~a primary or a battery stewardship organization implementing an approved primary battery stewardship plan in compliance with the requirements of this chapter, a rechargeable battery steward, or a rechargeable battery stewardship organization~~ may bring a civil action against another producer or ~~primary~~ battery stewardship organization for damages when:

(1) the plaintiff producer, ~~primary or battery stewardship organization, rechargeable battery steward, or rechargeable battery stewardship organization~~ incurs more than \$1,000.00 in actual reimbursable costs collecting, handling, recycling, or properly disposing of primary batteries or rechargeable batteries sold or offered for sale in the State by that other producer;

(2) the producer from whom damages are sought:

(A) can be identified as the producer of the collected primary batteries or rechargeable batteries from a brand or marking on the discarded battery or from other information available to the plaintiff producer, ~~primary or battery stewardship organization, rechargeable battery steward, or rechargeable battery stewardship organization~~; and

(B) does not operate or participate in an approved ~~primary~~ battery stewardship organization in the State or is not otherwise in compliance with the requirements of this chapter.

(b) Action against producer with an approved ~~primary~~ battery stewardship plan. A battery producer, ~~a primary or a battery stewardship organization in compliance with the requirements of this chapter, a rechargeable battery steward, or a rechargeable battery stewardship organization~~ may bring a civil action for damages against a ~~primary~~ battery producer or ~~primary~~ a battery stewardship organization in the State that is in compliance with the requirements of this chapter, provided that the conditions of subsection ~~(d)~~(c) of this section have been met.

~~(c) Action against rechargeable battery stewardship organization. A producer, a primary battery stewardship organization in compliance with the requirements of this chapter, a rechargeable battery steward, or a rechargeable battery stewardship organization may bring a civil action for damages against a~~

~~rechargeable battery stewardship organization registered by the Secretary, provided that the conditions of subsection (d) of this section have been met.~~

~~(d)~~ Condition precedent to cause of action. Except as authorized under subsection (a) of this section, a cause of action under this section shall be allowed only if:

(1) a plaintiff producer, primary or battery stewardship organization, ~~or rechargeable battery stewardship organization~~ submitted a reimbursement request to another producer, primary or battery stewardship organization, ~~or rechargeable battery stewardship organization~~ under subchapter 4 of this chapter; and

(2) the plaintiff producer, primary battery or stewardship organization, ~~or rechargeable battery stewardship organization~~ does not receive reimbursement within:

(A) 90 days of the reimbursement request, if no independent audit is requested under subchapter 4 of this chapter; or

(B) 60 days after completion of an audit if an independent audit is requested under subchapter 4 of this chapter, and the audit confirms the validity of the reimbursement request.

~~(e) Action against individual producer or steward.~~

~~(1) A civil action under this section may be brought against an individual primary battery producer or an individual rechargeable battery steward only if the primary battery producer is implementing its own primary battery stewardship plan, the primary battery producer has failed to register to participate in a primary battery stewardship plan, or the rechargeable battery steward is implementing its own registered rechargeable battery stewardship organization.~~

~~(2) A primary battery producer participating in an approved primary battery stewardship plan covering multiple producers or a rechargeable battery steward participating in a rechargeable battery stewardship organization representing multiple stewards shall not be sued individually for reimbursement.~~

~~(3) An action against a primary battery producer participating in a primary battery stewardship plan covering multiple producers or an action against a rechargeable battery steward participating in a rechargeable battery stewardship organization shall be brought against the stewardship organization implementing the plan.~~

~~(f)~~(d) Role of Agency. The Agency shall not be a party to or be required to provide assistance or otherwise participate in a civil action authorized under

this section solely due to its regulatory requirements under this chapter, unless subject to subpoena before a court of jurisdiction.

~~(g)~~(e) Damages; definitions. As used in this section, “damages” means the actual, reimbursable costs a plaintiff producer, ~~primary or battery stewardship organization, or rechargeable battery stewardship organization~~ incurs in collecting, handling, recycling, or properly disposing of primary batteries or rechargeable batteries reasonably identified as having originated from another primary battery producer, ~~primary or battery stewardship organization, or rechargeable battery stewardship organization.~~

Second: In Sec. 1, 10 V.S.A. chapter 168, prior to section 7592, in the subchapter heading after “Subchapter” and before “General Provisions” by striking out “5” where it appears and inserting in lieu thereof 6.

Which was agreed to.

Thereupon, the bill was read the third time and passed.

Bill Passed in Concurrence

H. 554.

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

An act relating to approval of the adoption of the charter of the Town of South Hero.

Bill Amended; Third Reading Ordered

S. 285.

Senator Vyhovsky, for the Committee on Judiciary, to which was referred Senate bill entitled:

An act relating to law enforcement interrogation policies.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. LEGISLATIVE INTENT; 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, to progress towards a total prohibition of the use of deception in all forms of interrogation, and to ultimately 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 interrogations of all persons; 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. § 1936a.

Sec. 2. VERMONT CRIMINAL JUSTICE COUNCIL; MODEL INTERROGATION POLICY

(a) On or before October 1, 2024, the Law Enforcement Advisory Board, in consultation with the Office of the Attorney General, shall collaborate and create 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 disorder; and low literacy levels.

(b) The model interrogation policy shall prohibit the use of physical harm, threats, and deception during custodial interrogations of all persons.

(1) At a minimum, the model interrogation policy shall define "deception" as the knowing communication of false facts about evidence or unauthorized statements regarding leniency by a law enforcement officer to a subject of custodial interrogation.

(2) The model interrogation policy shall also address other forms of interrogation involving persons under 20 years of age wherein the use of deception is prohibited.

(c) The model interrogation policy shall prohibit any training of law enforcement officers that employs the use of deception, including the REID Technique of Investigative Interviewing and Advanced Interrogation Techniques.

(d)(1) On or before December 1, 2024, the Law Enforcement Advisory Board shall submit the model interrogation policy to the Joint Legislative Justice Oversight Committee and testify before the Committee.

(2) On or before January 1, 2025, the Vermont Criminal Justice Council, in consultation with stakeholders, including the Agency of Human Services,

the Vermont League of Cities and Towns, and the Vermont Human Rights Commission, shall update the Law Enforcement Advisory Board's model interrogation policy to establish one cohesive model policy for law enforcement agencies and constables to adopt, follow, and enforce as part of the agency's or constable's own interrogation policy.

Sec. 3. 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 enforce any policy required under this chapter.

(b) On and after April 1, 2025, 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, or 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. 4. 20 V.S.A. § 2371 is added to read:

§ 2371. STATEWIDE POLICY; INTERROGATION METHODS

(a) Definitions. 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) Model policy contents.

(1) The Vermont Criminal Justice Council shall establish a model interrogation policy that applies to all persons subject to various forms of interrogation, including the following:

(A) custodial interrogations occurring in a place of detention;

(B) custodial interrogations occurring outside a place of detention;

(C) interrogations that are not considered custodial, regardless of location; and

(D) the interrogation of individuals with developmental, intellectual, and psychiatric disabilities; substance use disorder; and low literacy levels.

(2) The model interrogation policy shall prohibit the use of physical harm, threats, and deception during custodial interrogations of all persons.

(A) At a minimum, the model interrogation policy shall define “deception” as the knowing communication of false facts about evidence or unauthorized statements regarding leniency by a law enforcement officer to a subject of custodial interrogation.

(B) The model interrogation policy shall also address other forms of interrogation involving persons under 20 years of age wherein the use of deception is prohibited.

(3) The model interrogation policy shall prohibit any training of law enforcement officers that employs the use of deception, including the Reid Technique of Investigative Interviewing and Advanced Interrogation Techniques.

(c) Policy adoption and updates.

(1) On or before April 1, 2025, 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 an agency’s or a constable’s policy.

(2) On or before October 1, 2025, and every odd-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) Compliance. 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, 2025. 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) Training. The Council shall incorporate the provisions of this section into the training it provides.

(f) Reporting.

(1) Annually, as part of their 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.

(2) 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. 5. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that Secs. 3 (council services contingent on agency compliance; grant eligibility) and 4 (statewide policy; interrogation methods) shall take effect on April 1, 2025.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Judiciary?, Senator Brock moved to amend the recommendation of the Committee on Judiciary by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. LEGISLATIVE INTENT; 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 ultimately 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) addressing the use of deception during custodial interviews of juveniles; 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. § 1936a.

Sec. 2. VERMONT CRIMINAL JUSTICE COUNCIL; MODEL INTERROGATION POLICY

(a) On or before October 1, 2024, the Law Enforcement Advisory Board and the Office of the Attorney General shall collaborate to create a model interrogation policy that applies to juveniles subject to custodial interrogation. Such a model policy shall include the following:

(1) At a minimum, the model interrogation policy shall define “deception” as the knowing communication of false facts about evidence or unauthorized statements regarding leniency by a law enforcement officer to a subject of custodial interrogation.

(2) The model interrogation policy shall also address the use of deception during the custodial interviews of juveniles.

(b)(1) On or before December 1, 2024, the Law Enforcement Advisory Board shall submit the model interrogation policy to the Joint Legislative Justice Oversight Committee and testify before the Committee.

(2) On or before January 1, 2025, the Vermont Criminal Justice Council, in consultation with stakeholders, including the Agency of Human Services, the Vermont League of Cities and Towns, and the Vermont Human Rights Commission, shall update the Law Enforcement Advisory Board’s model interrogation policy to establish one cohesive model policy for law enforcement agencies and constables to adopt, follow, and enforce as part of the agency’s or constable’s own interrogation policy.

Sec. 3. 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 enforce any policy required under this chapter.

(b) On and after April 1, 2025, 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, or 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. 4. 20 V.S.A. § 2371 is added to read:

§ 2371. STATEWIDE POLICY; INTERROGATION METHODS

(a) Definitions. 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) Model policy contents. The Vermont Criminal Justice Council shall establish a model interrogation policy that applies to juveniles subject to custodial interrogation. Such a model policy shall include the following:

(1) At a minimum, the model interrogation policy shall define “deception” as the knowing communication of false facts about evidence or unauthorized statements regarding leniency by a law enforcement officer to a subject of custodial interrogation.

(2) The model interrogation policy shall also address the use of deception during the custodial interviews of juveniles.

(c) Policy adoption and updates.

(1) On or before April 1, 2025, 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 an agency’s or a constable’s policy.

(2) On or before October 1, 2025, and every odd-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) Compliance. 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, 2025. 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) Training. The Council shall incorporate the provisions of this section into the training it provides.

(f) Reporting.

(1) Annually, as part of their 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.

(2) 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. 5. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that Secs. 3 (council services contingent on agency compliance; grant eligibility) and 4 (statewide policy; interrogation methods) shall take effect on April 1, 2025.

Which was disagreed to, on a roll call, Yeas 11, Nays 18.

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

Roll Call

Those Senators who voted in the affirmative were: Brock, Chittenden, Collamore, Cummings, Ingalls, Lyons, Norris, Starr, Weeks, Westman, Williams.

Those Senators who voted in the negative were: Baruth, Bray, Champion, Clarkson, Gulick, Hardy, Harrison, Hashim, Kitchel, MacDonald, McCormack, Perchlik, Ram Hinsdale, Sears, Vyhovsky, Watson, White, Wrenner.

The Senator absent and not voting was: Mazza.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Judiciary?, was agreed to, on a roll call, Yeas 16, Nays 12.

Senator Vyhovsky 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, Champion, Clarkson, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, Perchlik, Ram Hinsdale, Vyhovsky, Watson, White.

Those Senators who voted in the negative were: Brock, Chittenden, Collamore, Cummings, Ingalls, McCormack, Norris, Sears, Starr, Weeks, Westman, Williams.

Those Senators absent and not voting were: Mazza, Wrenner.

Thereupon, third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 159.

Senator Hardy, for the Committee on Government Operations, to which was referred Senate bill entitled:

An act relating to the County Governance Study Committee.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. COUNTY AND REGIONAL GOVERNANCE STUDY
COMMITTEE; REPORT

(a) Creation. There is created the County and Regional Governance Study Committee to address local government capacity challenges, enhance and optimize public safety, regional collaboration and planning, efficient, equitable, and transparent public resource allocation, and effective regional public services for individuals and municipalities.

(b) Membership. The Committee shall be, to the extent possible, composed of members from geographically diverse regions of the State. The Committee shall be composed of the following members:

(1) three current members of the House of Representatives, who shall not all be from the same political party, the first of whom shall be the Chair of the House Committee on Government Operations and Military Affairs, and the second and third of whom shall be appointed by the Speaker of the House; and

(2) three current members of the Senate, who shall not all be from the same political party, the first of whom shall be the Chair of the Senate Committee on Government Operations, and the second and third of whom shall be appointed by the Committee on Committees.

(c) Powers and duties.

(1) The Committee shall study and make recommendations to the General Assembly on how to improve the structure and organization of county and regional government, including:

(A) enhancement and optimization of public safety;

(B) enhancement of regional collaboration and planning;

(C) efficient, equitable, and transparent allocation of public resources;

(D) promotion of effective regional public services for individuals and municipalities;

(E) clarification of the role and oversight of elected county officials and their departments;

(F) reduction of duplicated public services and promotion of opportunities for intermunicipal collaboration;

(G) balance of availability and cost of services across municipalities in each county;

(H) mechanisms of county and regional government structures in other states; and

(I) impact of climate change and resiliency on the maintenance of public infrastructure, delivery of regional government services, and coordination of regional emergency planning.

(2) The Committee may, through the Joint Fiscal Office, contract with one or more consultants to assist with research, preparation of the report, and any other assistance with the Committee's work deemed necessary by the Committee.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Operations, the Office of Legislative Counsel, and the Joint Fiscal Office.

(e) Report. On or before November 1, 2025, the 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) The Chair of the Senate Committee on Government Operations shall call the first meeting of the Committee to occur on or before September 1, 2024.

(2) The Committee shall be co-chaired by the Chair of the House Committee on Government Operations and Military Affairs and the Chair of the Senate Committee on Government Operations.

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

(4) The Committee shall cease to exist on July 1, 2026.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the 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 10 meetings. These payments shall be made from monies appropriated to the General Assembly.

(h) Appropriation for consulting. The sum of \$50,000.00 is appropriated to the Joint Fiscal Office from the General Fund in fiscal year 2025 to contract with one or more consultants to assist with research, preparation of the report, and any other assistance with the Committee's work deemed necessary by the Committee.

Sec. 2. COUNTY AND REGIONAL GOVERNANCE TECHNICAL
ADVICE

(a) On or before September 1, 2024, the Executive Director of the Vermont Bond Bank, shall convene the first meeting of a County and Regional Governance Technical Advisory Group. The Technical Advisory Group shall analyze the subject matter being considered by the County and Regional Governance Study Committee and advise, assist, and provide recommendations to the Study Committee, specifically on the structure and organization of county and regional government. The Vermont Bond Bank shall participate in order to support improvements to local capacity.

(b) The following individuals and entities shall be invited to participate in the meeting or meetings described in this section:

- (1) the Department of State's Attorneys and Sheriffs;
- (2) the State Court Administrator;
- (3) the Vermont Association of County Judges;
- (4) the Vermont Association of Planning and Development Agencies;
- (5) the Vermont Municipal Clerks' and Treasurers' Association;
- (6) the Vermont League of Cities and Towns;
- (7) the Vermont Regional Development Corporations;
- (8) the Vermont School Boards Association;
- (9) the Vermont Town and City Management Association; and
- (10) other relevant stakeholders identified by the Technical Advisory Group.

(c) The Study Committee may at any time request advice from the Technical Advisory Group regarding issues relating to the structure and organization of county and regional government, which shall be provided by the Technical Advisory Group.

Sec. 3. FEDERAL DISASTER FUNDING FOR COUNTY AND REGIONAL GOVERNMENTS REPORT

On or before September 15, 2024, the Secretary of Administration, or designee, shall report to the County and Regional Governance Study Committee on federal funding opportunities resulting from the disaster declaration for the major flooding events of 2023 in the State, including the received federal funds, the status of pending applications for funding, and potential avenues for additional funds. The Secretary, or designee, shall provide an analysis of the impact of Vermont's lack of robust county or regional governance on the receipt of federal emergency funding.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

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

“An act relating to the County and Regional Governance Study Committee.”

And that when so amended the bill ought to pass.

Senator Sears, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Government Operations with the following amendment thereto:

In Sec. 1, County and Regional Governance Study Committee; report, by striking out subsection (h) in its entirety.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of the Committee on Government Operations was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, was agreed to and third reading of the bill was ordered.

Committee Relieved of Further Consideration; Bill Committed**H. 614.**

On motion of Senator Sears, the Committee on Judiciary was relieved of further consideration of House bill entitled:

An act relating to land improvement fraud and timber trespass.

And the bill was committed to the Committee on Agriculture.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, March 28, 2024.

THURSDAY, MARCH 28, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by Darryll Rudy of Saint Johnsbury.

Message from the House No. 36

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 546. An act relating to administrative and policy changes to tax laws.

H. 622. An act relating to emergency medical services.

H. 655. An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records.

H. 702. An act relating to legislative operations and government accountability.

H. 707. An act relating to revising the delivery and governance of the Vermont workforce system.

H. 877. An act relating to miscellaneous agricultural subjects.

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

The Governor has informed the House that on March 27, 2024, he approved and signed a bill originating in the House of the following title:

H. 469. An act relating to remote and electronic processes for executing an advance directive.

Bills Referred

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

H. 546.

An act relating to administrative and policy changes to tax laws.

To the Committee on Finance.

H. 622.

An act relating to emergency medical services.

To the Committee on Health and Welfare.

H. 655.

An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records.

To the Committee on Judiciary.

H. 702.

An act relating to legislative operations and government accountability.

To the Committee on Government Operations.

H. 707.

An act relating to revising the delivery and governance of the Vermont workforce system.

To the Committee on Economic Development, Housing and General Affairs.

H. 877.

An act relating to miscellaneous agricultural subjects.

To the Committee on Agriculture.

Bills Passed

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

S. 159. An act relating to the County Governance Study Committee.

S. 285. An act relating to law enforcement interrogation policies.

Bill Amended; Third Reading Ordered**S. 181.**

Senator Chittenden, for the Committee on Finance, to which was referred Senate bill entitled:

An act relating to the Community Media Public Benefit Fund.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 32 V.S.A. chapter 247 is added to read:

CHAPTER 247. TELEVISION ASSESSMENT

§ 10601. FINDINGS; PURPOSE

(a) The General Assembly finds:

(1) In recent years, there has been significant growth of high-bandwidth entertainment content delivered over communications networks.

(2) Substantial public investments, both State and federal, have been made to promote communications network deployment and the adoption of

essential services delivered over those networks, such as telecommunications and broadband.

(3) Government has long recognized that these networks and services are essential because they provide end users access to critical services, such as educational, governmental, employment, public safety, and health care services.

(b) The purpose of this chapter is to establish a comprehensive statewide mechanism for requiring equitable contributions from cable television companies and television streaming providers to support public benefits and services, including those in the communications sector.

§ 10602. DEFINITIONS

As used in this chapter:

(1) “Customer” means any person in Vermont who receives or subscribes to a video streaming service provider and does not further distribute such service in the ordinary course of business.

(2) “Gross receipts” means all consideration of any kind or nature received by a video streaming service provider, or an affiliate of such person, in connection with the provision, delivery, or furnishing of video streaming service to customers. “Gross receipts” does not include:

(A) revenue not actually received, regardless of whether it is billed, including bad debts;

(B) revenue received by an affiliate or other person in exchange for supplying goods and services to an affiliated video streaming service provider;

(C) refunds, rebates, or discounts made to customers, advertisers, or other persons;

(D) revenue from telecommunications service as defined in 30 V.S.A. § 7501(b)(8);

(E) revenue from broadband service as defined in 30 V.S.A. § 8082(2);

(F) revenue from the sale of capital assets or surplus equipment not used by the purchaser to receive video streaming service from the video streaming service provider;

(G) reimbursements made by programmers to the streaming service provider for marketing costs incurred by such service provider for the introduction of new programming;

(H) late payment fees collected from customers; or

(I) charges, other than charges for video streaming services, that are aggregated or bundled with video streaming services on a customer's bill, if the video streaming service provider can reasonably and separately identify the charges in its books and records kept in the regular course of business.

(3) "Service provider" means a video streaming service provider.

(4) "Video programming" means programming provided by, or comparable to programming provided by, a television broadcast station, including video programming provided by local networks, national broadcast networks, cable television networks, and all forms of pay-per-view or on-demand video entertainment.

(5) "Video streaming service" means the distribution or broadcasting of video programming displayed by the viewer for a fee on a subscription basis. The term video streaming service, unless expressly provided otherwise, does not include cable service as defined in 47 U.S.C. § 522(6).

(6) "Video streaming service provider" or "television streaming provider" means a person who transmits, broadcasts, or otherwise provides video streaming service to customers and earns more than \$250,000.00 in gross annual revenues from providing such services.

§ 10603. IMPOSITION AND COLLECTION

(a) There is imposed an assessment on the provision, delivery, or furnishing of video streaming services by a service provider to customers in the State. A service provider shall pay an assessment equal to five percent of the provider's gross receipts derived in or from such services.

(b) Gross receipts pursuant to this section shall be determined by the customer's place of primary use of the service and, if that location cannot be determined with available information or a reasonable inquiry, shall be determined by the customer's billing address.

(c) The assessment created under this section shall be for each year, or part of each year, that a service provider is engaged in the sale of video streaming services to customers.

(1) A service provider subject to the assessment under this section shall:

(A) file, on or before April 15 of each year, a return for the year ended on the preceding December 31; and

(B) pay the tax due, which return shall state the gross receipts for the period covered by each return.

(2) Returns shall be filed with the Commissioner on a form to be furnished by the Commissioner for that purpose and shall contain any other data or information as the Commissioner may require.

(3) Notwithstanding subdivisions (1) and (2) of this subsection, the Commissioner may require a service provider to file an annual return, which shall contain any data specified by the Commissioner, regardless of whether the provider is subject to the assessment under this section.

(d) The Commissioner may examine and audit a return required under this section for a period equal to the latter of three years from the date the return was filed or three years from the date the return was required to be filed; however, there shall be no limitation if a return is fraudulent. In addition to the authority granted to the Commissioner under chapter 103 of this title, the Commissioner may require service providers subject to the assessment under this section to keep and preserve records of its business in any form as the Commissioner may require for a period of three years, except that the Commissioner may consent to their destruction within that period or may require that they be kept longer.

§ 10604. DEPOSIT AND ALLOCATION OF REVENUE

The revenue from the assessment imposed under this chapter shall be deposited in the General Fund. Annually, the General Assembly shall appropriate a portion of the revenue to the Secretary of State to administer and oversee a grant program for the Vermont Access Network to support the operational costs of Vermont's access management organizations so that public, educational, and government programming and services are broadly available throughout the State.

Sec. 2. APPROPRIATION

The sum of \$1,100,000.00 is appropriated from the General Fund to the Department of Taxes in fiscal year 2025 for the purpose of implementing the chapter established under Sec. 1. of this act.

Sec. 3. EFFECTIVE DATES

(a) Notwithstanding 1 V.S.A. § 214, this section and Sec. 1 (32 V.S.A. chapter 247) shall take effect retroactively on January 1, 2024 and apply to taxable years on and after January 1, 2024.

(b) Sec. 2 (appropriation) shall take effect on July 1, 2024.

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

“An act relating to establishing a television assessment and community media.”

And that when so amended the bill ought to pass.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported that the bill ought to pass when so amended.

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

Bill Amended; Third Reading Ordered

S. 195.

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

An act relating to how a defendant's criminal record is considered in imposing conditions of release.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 7551 is amended to read:

§ 7551. IMPOSITION OF BAIL, SECURED APPEARANCE BONDS, AND APPEARANCE BONDS

(a) Bonds; generally. A bond given by a person charged with a criminal offense or by a witness in a criminal prosecution under section 6605 of this title, conditioned for the appearance of the person or witness before the court in cases where the offense is punishable by fine or imprisonment, and in appealed cases, shall be taken to the Criminal Division of the Superior Court where the prosecution is pending and shall remain binding upon parties until discharged by the court or until sentencing. The person or witness shall appear at all required court proceedings.

(b) Limitation on imposition of bail, secured appearance bonds, and appearance bonds.

(1) Except as provided in subdivision (2) of this subsection, no bail, secured appearance bond, or appearance bond may be imposed:

(A) at the initial appearance of a person charged with a misdemeanor if the person was cited for the offense in accordance with Rule 3 of the Vermont Rules of Criminal Procedure; or

(B) at the initial appearance or upon the temporary release pursuant to Rule 5(b) of the Vermont Rules of Criminal Procedure of a person charged with a violation of a misdemeanor offense that is eligible for expungement pursuant to subdivision 7601(4)(A) of this title.

(2) In the event the court finds that imposing bail is necessary to mitigate the risk of flight from prosecution for a person charged with a violation of a misdemeanor offense that is eligible for expungement pursuant to subdivision 7601(4)(A) of this title, the court may impose bail in a maximum amount of \$200.00. The \$200.00 limit shall not apply to an offense allegedly committed by a defendant who has been released on personal recognizance or conditions of release pending trial for another offense.

(3) This subsection shall not be construed to restrict the court's ability to impose conditions on such persons to reasonably mitigate the risk of flight from prosecution or to reasonably protect the public in accordance with section 7554 of this title.

Sec. 2. 13 V.S.A. § 7554 is amended to read:

§ 7554. RELEASE PRIOR TO TRIAL

(a) Release; conditions of release. Any person charged with an offense, other than a person held without bail under section 7553 or 7553a of this title, shall at ~~his or her~~ the person's appearance before a judicial officer be ordered released pending trial in accordance with this section.

(1) The defendant shall be ordered released on personal recognizance or upon the execution of an unsecured appearance bond in an amount specified by the judicial officer unless the judicial officer determines that such a release will not reasonably mitigate the risk of flight from prosecution as required. In determining whether the defendant presents a risk of flight from prosecution, the judicial officer shall consider, in addition to any other factors, the seriousness of the offense charged and the number of offenses with which the person is charged. If the judicial officer determines that the defendant presents a risk of flight from prosecution, the officer shall, either in lieu of or in addition to the methods of release in this section, impose the least restrictive of the following conditions or the least restrictive combination of the following conditions that will reasonably mitigate the risk of flight of the defendant as required:

(A) Place the defendant in the custody of a designated person or organization agreeing to supervise ~~him or her~~ the defendant if the defendant is charged with an offense that is not a nonviolent misdemeanor or nonviolent felony as defined in 28 V.S.A. § 301.

(B) Place restrictions on the travel or association of the defendant during the period of release.

(C) Require the defendant to participate in an alcohol or drug treatment program. The judicial officer shall take into consideration the

defendant's ability to comply with an order of treatment and the availability of treatment resources.

(D) Upon consideration of the defendant's financial means, require the execution of a secured appearance bond in a specified amount and the deposit with the clerk of the court, in cash or other security as directed, of a sum not to exceed 10 percent of the amount of the bond, such deposit to be returned upon the appearance of the defendant as required.

(E) Upon consideration of the defendant's financial means, require the execution of a surety bond with sufficient solvent sureties, or the deposit of cash in lieu thereof.

(F) Impose any other condition found reasonably necessary to mitigate the risk of flight as required, including a condition requiring that the defendant return to custody after specified hours.

(G) [Repealed.]

(H) Place the defendant in the electronic monitoring program pursuant to section 7554f of this title.

(I) Place the defendant in the home detention program pursuant to section 7554b of this title.

(2) If the judicial officer determines that conditions of release imposed to mitigate the risk of flight will not reasonably protect the public, the judicial officer may impose, in addition, the least restrictive of the following conditions or the least restrictive combination of the following conditions that will reasonably ensure protection of the public:

(A) Place the defendant in the custody of a designated person or organization agreeing to supervise ~~him or her~~ the defendant if the defendant is charged with an offense that is not a nonviolent misdemeanor or nonviolent felony as defined in 28 V.S.A. § 301.

(B) Place restrictions on the travel, association, or place of abode of the defendant during the period of release.

(C) Require the defendant to participate in an alcohol or drug treatment program. The judicial officer shall take into consideration the defendant's ability to comply with an order of treatment and the availability of treatment resources.

(D) Impose any other condition found reasonably necessary to protect the public, except that a physically restrictive condition may only be imposed in extraordinary circumstances.

(E) Suspend the officer's duties in whole or in part if the defendant is a State, county, or municipal officer charged with violating section 2537 of this title and the court finds that it is necessary to protect the public.

(F) [Repealed.]

(G) Place the defendant in the electronic monitoring program pursuant to section 7554f of this title.

(H) Place the defendant in the home detention program pursuant to section 7554b of this title.

(3) A judicial officer may order that a defendant not harass or contact or cause to be harassed or contacted a victim or potential witness. This order shall take effect immediately, regardless of whether the defendant is incarcerated or released.

(b) Judicial considerations in imposing conditions of release. In determining which conditions of release to impose:

(1) In subdivision (a)(1) of this section, the judicial officer, on the basis of available information, shall take into account the nature and circumstances of the offense charged; the weight of the evidence against the accused; the accused's employment; financial resources, including the accused's ability to post bail; the accused's character and mental condition; the accused's length of residence in the community; and the accused's record of appearance at court proceedings or of flight to avoid prosecution or failure to appear at court proceedings.

(2) In subdivision (a)(2) of this section, the judicial officer, on the basis of available information, shall take into account the nature and circumstances of the offense charged; the weight of the evidence against the accused; the number of offenses with which the accused is charged; whether the accused is subject to release on personal recognizance or subject to conditions of release related to protecting the public in another case pending before federal or state court; whether the accused is subject to conditions related to protecting the public for probation, parole, furlough, or another form of community supervision; whether the accused is currently compliant with any court orders; and the accused's family ties, employment, character and mental condition, length of residence in the community, record of convictions, and record of appearance at court proceedings or of flight to avoid prosecution or failure to appear at court proceedings. Recent history of actual violence or threats of violence may be considered by the judicial officer as bearing on the character and mental condition of the accused.

(c) Order. A judicial officer authorizing the release of a person under this section shall issue an appropriate order containing a statement of the

conditions imposed, if any; shall inform such person of the penalties applicable to violations of the conditions of release; and shall advise ~~him or her~~ the person that a warrant for ~~his or her~~ the person's arrest ~~will~~ may be issued immediately upon any such violation.

(d) Review of conditions.

(1) A person for whom conditions of release are imposed and who is detained as a result of ~~his or her~~ the person's inability to meet the conditions of release or who is ordered released on a condition that ~~he or she~~ the person return to custody after specified hours, or the State, following a material change in circumstances, shall, within 48 hours following application, be entitled to have the conditions reviewed by a judge in the court having original jurisdiction over the offense charged. A party applying for review shall be given the opportunity for a hearing. Unless the conditions of release are amended as requested, the judge shall set forth in writing or orally on the record a reasonable basis for continuing the conditions imposed. In the event that a judge in the court having original jurisdiction over the offense charged is not available, any Superior judge may review such conditions.

(2) A person for whom conditions of release are imposed shall, within five working days following application, be entitled to have the conditions reviewed by a judge in the court having original jurisdiction over the offense charged. A person applying for review shall be given the opportunity for a hearing. Unless the conditions of release are amended as requested, the judge shall set forth in writing or orally on the record a reasonable basis for continuing the conditions imposed. In the event that a judge in the court having original jurisdiction over the offense charged is not available, any Superior judge may review such conditions.

(e) Amendment of order. A judicial officer ordering the release of a person on any condition specified in this section may at any time amend the order to impose additional or different conditions of release, provided that the provisions of subsection (d) of this section shall apply.

(f) Definition. The term "judicial officer" as used in this section and section 7556 of this title ~~shall mean~~ means a clerk of a Superior Court or a Superior Court judge.

(g) Admissibility of evidence. Information stated in, or offered in connection with, any order entered pursuant to this section need not conform to the rules pertaining to the admissibility of evidence in a court of law.

(h) Forfeiture. Nothing contained in this section shall be construed to prevent the disposition of any case or class of cases by forfeiture of collateral security if such disposition is authorized by the court.

(i) Forms. The Court Administrator shall establish forms for appearance bonds, secured appearance bonds, surety bonds, and for use in the posting of bail. Each form shall include the following information:

(1) The bond or bail may be forfeited in the event that the defendant or witness fails to appear at any required court proceeding.

(2) The surety or person posting bond or bail has the right to be released from the obligations under the bond or bail agreement upon written application to the judicial officer and detention of the defendant or witness.

(3) The bond will continue through sentencing in the event that bail is continued after final adjudication.

(j) Juveniles. Any juvenile between 14 and 16 years of age who is charged with a listed crime as defined in subdivision 5301(7) of this title shall appear before a judicial officer and be ordered released pending trial in accordance with this section within 24 hours following the juvenile's arrest.

Sec. 3. 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.

(b) Procedure. At the request of the court, the Department of Corrections, the prosecutor, or the defendant, the status of a defendant who is detained pretrial in a correctional facility for inability to pay bail after bail has been set by the court, or the status of a defendant who has allegedly violated conditions of release or of personal recognizance, may be reviewed by the court to determine whether the defendant is appropriate for home detention. The review shall be scheduled upon the court's receipt of a report from the Department determining that the proposed residence is suitable for the use of electronic monitoring. A defendant held without bail pursuant to section 7553 or 7553a of this title shall not be eligible for release to the Home Detention Program on or after June 1, 2018. At arraignment or after a hearing, the court may order that the defendant be released to the Home Detention Program, provided that the court finds placing the defendant on home detention will

~~reasonably assure his or her appearance in court when required~~ mitigate the defendant's risk of flight and the proposed residence is appropriate for home detention. In making such a determination, the court shall consider:

- (1) the nature of the offense with which the defendant is charged;
- (2) the defendant's prior convictions, history of violence, medical and mental health needs, history of supervision, and risk of flight; and
- (3) any risk or undue burden to other persons who reside at the proposed residence or risk to third parties or to public safety that may result from such placement.

(c) ~~Failure to comply. The Department of Corrections may revoke report a defendant's home detention status for an~~ unauthorized absence or failure to comply with any other condition of the Program and shall return the defendant to a correctional facility to the prosecutor and the defendant, provided that a defendant's failure to comply with any condition of the Program for a reason other than fault on the part of the defendant shall not be reportable. To address a reported violation, the prosecutor may initiate:

- (1) a review of conditions pursuant to section 7554 of this title;
- (2) a violation of conditions proceeding pursuant to section 7554e of this title;
- (3) a prosecution for contempt pursuant to section 7559 of this title; or
- (4) a bail revocation hearing pursuant to section 7575 of this title.

(d) Credit for time served. A defendant shall receive credit for a sentence of imprisonment for time served in the Home Detention Program.

(e) Program support. The Department may support the operation of the Program through grants of financial assistance to, or contracts for services with, any public or nonprofit entity that meets the Department's requirements.

Sec. 4. 13 V.S.A. § 7554e is added to read:

§ 7554e. VIOLATIONS OF CONDITIONS OF RELEASE

(a) Procedure.

(1) The court may determine that a condition of release was violated only upon notice to the defendant and a hearing.

(2) Whenever a defendant is alleged to have violated a condition of release ordered by a court pursuant to section 7554 of this title, the defendant may be arrested or cited in accordance with Rules 3 or 18 of the Vermont Rules of Criminal Procedure to appear before the court in which the conditions of release were ordered.

(3) A judicial officer may issue a warrant for the arrest of a defendant charged with violating a condition of release and the defendant shall appear before the judicial officer.

(4) The defendant alleged to have violated a condition of release may appear before the judicial officer not later than the next business day following the arrest or citation. At this appearance, the judicial officer may review and modify the defendant's conditions of release pursuant to section 7554 of this title. The prosecutor may also request that the judicial officer schedule a summary hearing in accordance with subsection (b) of this section or elect to commence a prosecution pursuant to section 7559 of this title.

(b) Hearing.

(1) Upon request, the judicial officer may schedule a summary hearing to determine if the defendant violated a condition of release.

(2) The State shall have the burden of proving a violation of conditions of release by a preponderance of the evidence.

(3) Information stated in, or offered in connection with, any order entered pursuant to this section need not conform to the rules pertaining to the admissibility of evidence in a court of law unless the judicial officer determines that live testimony is necessary.

(4) The judicial officer shall issue an appropriate order addressing the alleged violation pursuant to subsection (c) of this section.

(c) Disposition of violations.

(1) In determining that a condition of release was violated, the judicial officer shall consider any of the following:

(A) whether the defendant violated a condition of release that does not otherwise constitute an offense under federal or State law;

(B) whether the defendant violated a condition of release that also constitutes an offense under federal or State law;

(C) the nature of the underlying offense with which the defendant is charged;

(D) the defendant's prior convictions, history of violence, medical and mental health needs, history of supervision, and risk of flight; and

(E) any risk that the defendant poses to the public.

(2) Upon a finding that the person violated a condition of release, the judicial officer shall impose the least restrictive condition or combination of conditions to reasonably ensure the defendant's court appearances, to mitigate

the defendant's risk of flight from prosecution, or to reasonably protect the public. Such conditions include:

(A) imposing any condition or combination of conditions pursuant to section 7554 of this title; or

(B) placing the defendant under the supervision of the pre-trial supervision program pursuant to section 7554g of this title.

(3) If the defendant violated a condition of release that also constitutes an offense under federal or State law, a prosecutor may pursue bail revocation pursuant to section 7575 of this title.

(d) Exclusive remedy; prosecution for contempt. A proceeding pursuant to this section or a prosecution pursuant to section 7559 of this title shall be a prosecutor's exclusive remedy to modify conditions of release as a result of an alleged violation. Nothing in this section shall be construed to modify or limit a judicial officer's ability to exercise the officer's own authority to address contempt or to modify or limit a prosecutor's ability to commence a prosecution for contempt for any reason other than a violation of a condition of release.

Sec. 5. 13 V.S.A. § 7554f is added to read:

§ 7554f. ELECTRONIC MONITORING PROGRAM

(a) Intent. It is the intent of the General Assembly that the electronic monitoring program assist in ensuring a defendant's compliance with conditions of release, mitigating a defendant's risk of flight, or reasonably protecting the public.

(b) Program and administration.

(1) The Department of Corrections shall expand and manage an electronic monitoring program for the purpose of supervising persons ordered to be under electronic monitoring as a condition of release, in addition to or in lieu of the imposition of bail pursuant to section 7554 of this title, or placed on home detention pursuant to section 7554b of this title.

(2) The Department may support the Program's monitoring operations through grants of financial assistance to, or contracts for services with, any public or nonprofit entity that meets the Department's requirements.

(c) Procedure. At the request of the court, the prosecutor, or the defendant, the court may determine whether a defendant is appropriate for electronic monitoring. After a hearing, the court may order that the defendant be placed under electronic monitoring, provided that the court finds that placing the defendant under electronic monitoring will assist in ensuring a defendant's

compliance with conditions of release, mitigating a defendant's risk of flight, or reasonably protecting the public. In making such a determination, the court shall consider:

- (1) the nature of the offense with which the defendant is charged;
- (2) the defendant's prior convictions, history of violence, medical and mental health needs, history of supervision, risk of flight, and history of compliance with court orders; and
- (3) any risk or undue burden to other persons who reside at the proposed residence, risk to third parties, or risk to public safety that may result from the placement.

(d) Policies. The Department of Corrections shall establish a written policies and procedures manual for the electronic monitoring program to be used by the Department, any contractors or grantees that the Department engages with to assist in operating the program, and the courts.

(e) Failure to comply. The Department of Corrections may report a violation of the defendant's electronic monitoring conditions to the prosecutor and the defendant, provided that a defendant's failure to comply with any condition of the Program for a reason other than fault on the part of the defendant shall not be reportable. To address a reported violation, the prosecutor may initiate:

- (1) a review of conditions pursuant to section 7554 of this title;
- (2) a violation of conditions proceeding pursuant to section 7554e of this title;
- (3) a prosecution for contempt pursuant to section 7559 of this title; or
- (4) a bail revocation hearing pursuant to section 7575 of this title.

Sec. 6. 13 V.S.A. § 7554g is added to read:

§ 7554g. PRE-TRIAL SUPERVISION PROGRAM

(a) Purpose. The purpose of the Pre-Trial Supervision Program is to assist eligible people through the use of evidence-based strategies to improve pre-trial compliance with conditions of release, to coordinate and support the provision of pre-trial services when appropriate, to ensure attendance at court appearances, and to decrease the potential to recidivate while awaiting trial.

(b) Definition. As used in this section, "Absconding" has the same meaning as defined in 28 V.S.A. § 722(1).

(c) Pre-trial supervision.

(1) The Pre-Trial Supervision Program shall supervise defendants who violate conditions of release pursuant to section 7554e or 7559 of this title, have not fewer than five pending dockets, pose a risk of nonappearance at court proceedings, pose a risk of flight from prosecution, or pose a risk to public safety.

(2) The Department of Corrections shall be responsible for supervising defendants who are placed in the Pre-Trial Supervision Program. The Department shall assign a pre-trial supervisor to monitor defendants in a designated region of Vermont and help coordinate any pre-trial services needed by the defendant. The Department shall determine the appropriate level of supervision based on evidence-based screenings of those defendants eligible to be placed in the Program. The Department's supervision methods may include use of:

- (A) the Department's telephone monitoring system;
- (B) telephonic meetings with a pre-trial supervisor;
- (C) in-person meetings with a pre-trial supervisor; or
- (D) any other means of contact deemed appropriate.

(3) If the court determines that the defendant is appropriate for the Pre-Trial Supervision Program, the court shall issue an order placing the defendant in the Program and setting the defendant's conditions of supervision.

(d) Procedure.

(1) At the request of the court, the prosecutor, or the defendant, the defendant may be reviewed by the court to determine whether the defendant is appropriate for pre-trial supervision. The review shall be scheduled upon the court's receipt of a report from the Department of Corrections determining that the defendant is eligible for pre-trial supervision. A defendant held without bail pursuant to section 7553 or 7553a shall not be eligible for pre-trial supervision.

(2) A defendant is eligible for pre-trial supervision if the person:

- (A) has violated conditions of release pursuant to section 7554e or 7559 of this title;
- (B) has not fewer than five pending court dockets;
- (C) poses a risk of nonappearance at court proceedings;
- (D) poses a risk of flight from prosecution; or
- (E) poses a risk to public safety.

(3) After a hearing, the court may order that the defendant be released to the Pre-Trial Supervision Program, provided that the court finds placing the defendant under pre-trial supervision will reasonably ensure the person's appearance in court when required, mitigate the person's risk of flight, or reasonable ensure protection of the public. In making such a determination, the court shall consider any of the following:

(A) the nature of the violation of conditions of release pursuant to section 7554e or 7559 of this title;

(B) the nature and circumstances of the underlying offense with which the defendant is charged;

(C) the defendant's prior convictions, history of violence, medical and mental health needs, history of supervision, and risk of flight; or

(D) any other factors that the court deems appropriate.

(e) Compliance and review.

(1) Pre-trial supervisors shall notify the prosecutor and use reasonable efforts to notify the defendant of any violations of Program supervision requirements committed by the defendant.

(A) Upon submission of the pre-trial supervisor's sworn affidavit by the prosecutor, the court may issue a warrant for the arrest of a defendant who fails to report to the pre-trial supervisor, commits multiple violations of supervision requirements, or is suspected of absconding.

(B) The defendant may appear before the court not later than the next business day following the arrest to modify the defendant's conditions.

(2) At the request of the court, the prosecutor, or the defendant, a defendant's compliance with pre-trial supervision conditions may be reviewed by the court. The court may issue an appropriate order in accordance with the following:

(A) A defendant who complies with all conditions of the Pre-Trial Supervision Program for not less than 90 days may receive a reduction in supervision level or may be removed from the Program altogether.

(B) A defendant who violates a condition of the Pre-Trial Supervision Program may receive an increase in supervision level or other sanction permitted by law.

Sec. 7. 13 V.S.A. § 7575 is amended to read:

§ 7575. REVOCATION OF THE RIGHT TO BAIL

(a) Revocation. The right to bail may be revoked entirely if the judicial officer finds the accused has:

(1) intimidated or harassed a victim, potential witness, juror, or judicial officer in violation of a condition of release; or

(2) repeatedly violated conditions of release in a manner that ~~impedes~~ disrupts the prosecution of the accused; or

(3) violated a condition or conditions of release that constitute a threat to the integrity of the judicial system; or

(4) without just cause, failed to appear at a specified time and place ordered by a judicial officer; or

(5) in violation of a condition of release, been charged with a felony or a crime against a person or an offense similar to the underlying charge, for which, after hearing, probable cause is found.

(b) Hearing required; burden of proof. The court may revoke bail only after notice to the defendant and a hearing. The State shall have the burden of proving by a preponderance of the evidence that the accused engaged in the conduct identified in subdivisions (a)(1)–(5) of this section.

(c) Evidence. To meet its burden, the State shall present substantial, admissible evidence sufficient to fairly and reasonably convince a fact finder beyond a reasonable doubt that the accused is guilty. Such evidence may be shown through affidavits and sworn statements, provided the defendant has the opportunity to present direct evidence at a hearing. Evidence only showing that the accused may endanger the public is insufficient to meet the burden pursuant to this section.

(d) Orders. A court may only revoke bail upon a finding that a legitimate and compelling State interest exists to revoke bail. The court shall not revoke bail based on a breach of conditions of release alone or solely because the accused may endanger the public. In any order revoking bail, the court shall make a specific finding that the State met its burden pursuant to subsection (c) of this section.

Sec. 8. 13 V.S.A. § 7576 is amended to read:

§ 7576. DEFINITIONS

As used in this chapter:

* * *

(9) “Flight from prosecution” means any action or behavior undertaken by a person charged with a criminal offense to avoid court proceedings,

including noncompliance with court orders and a person's failure to appear at court hearings.

Sec. 9. 13 V.S.A. § 7030 is amended to read:

§ 7030. SENTENCING ALTERNATIVES

(a) In determining which of the following should be ordered, the court shall consider the nature and circumstances of the crime; the history and character of the defendant; the defendant's family circumstances and relationships; the impact of any sentence upon the defendant's minor children; the need for treatment; any violations of conditions of release by the defendant that are established by reliable evidence; and the risk to self, others, and the community at large presented by the defendant:

(1) A deferred sentence pursuant to section 7041 of this title.

(2) Referral to a community reparative board pursuant to 28 V.S.A. chapter 12 in the case of an offender who has pled guilty to a nonviolent felony, a nonviolent misdemeanor, or a misdemeanor that does not involve the subject areas prohibited for referral to a community justice center under 24 V.S.A. § 1967. Referral to a community reparative board pursuant to this subdivision does not require the court to place the offender on probation. The offender shall return to court for further sentencing if the reparative board does not accept the case or if the offender fails to complete the reparative board program to the satisfaction of the board in a time deemed reasonable by the board.

(3) Probation pursuant to 28 V.S.A. § 205.

(4) Supervised community sentence pursuant to 28 V.S.A. § 352.

(5) Sentence of imprisonment.

(b) When ordering a sentence of probation, the court may require participation in the Restorative Justice Program established by 28 V.S.A. chapter 12 as a condition of the sentence.

Sec. 10. 18 V.S.A. § 4253 is amended to read:

§ 4253. USE OF A FIREARM WHILE SELLING OR DISPENSING A DRUG

(a) A person who uses a firearm during and in relation to selling or dispensing a regulated drug in violation of subdivision 4230(b)(3), 4231(b)(3), 4232(b)(3), 4233(b)(3), 4234(b)(3), 4234a(b)(3), 4235(c)(3), or 4235a(b)(3) of this title shall be imprisoned not more than three years or fined not more than \$5,000.00, or both, in addition to the penalty for the underlying crime.

(b) A person who uses a firearm during and in relation to trafficking a regulated drug in violation of subsection 4230(c), 4231(c), 4233(c), or 4234a(c) of this title shall be imprisoned not more than five years or fined not more than \$10,000.00, or both, in addition to the penalty for the underlying crime.

(c) For purposes of this section, “use of a firearm” ~~shall include~~ includes:

(1) using a firearm while selling or trafficking a regulated drug; and

(2) the exchange of firearms for drugs, and this section shall apply to the person who trades a firearm for a drug and the person who trades a drug for a firearm.

(d) Conduct constituting the offense of using a firearm while selling or trafficking a regulated drug shall be considered a violent act for the purposes of determining bail.

Sec. 11. DEPARTMENT OF CORRECTIONS; POSITIONS; APPROPRIATION

(a) On July 1, 2024, six new permanent classified Pre-Trial Supervisor positions are created in the Department of Corrections. In addition to any other duties deemed appropriate by the Department, the Pre-Trial Supervisors shall monitor and supervise persons placed in the Pre-Trial Supervision Program pursuant to 13 V.S.A. § 7554g.

(b) The six Pre-Trial Supervisors established in subsection (a) of this section shall be subject to a General Fund appropriation in FY 2025.

(c) On July 1, 2024, one new permanent classified administrative assistant position is created in the Department of Corrections. In addition to any duties deemed appropriate by the Department, the administrative assistant shall provide administrative support to the Pre-Trial Supervision Program pursuant to 13 V.S.A. § 7554g.

(d) The one administrative assistant established in subsection (c) of this section shall be subject to a General Fund appropriation in FY 2025.

Sec. 12. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Senator Sears, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Judiciary with the following amendments thereto:

First: In Sec. 6, 13 V.S.A. § 7554g, by inserting a new subsection to be subsection (f) to read as follows:

(f) Contingent on funding. The Pre-Trial Supervision Program established in this section shall operate only to the extent funds are appropriated for its operation.

Second: By striking out Sec. 11, Department of Corrections; positions; appropriation, in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Sec. 11. [Deleted.]

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of amendment of the Committee on Judiciary was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Judiciary, as amended? was agreed to.

Thereupon, third reading of the bill was ordered, on a roll call, Yeas 27, 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, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Sears, Starr, Watson, Weeks, Westman, White, Williams, Wrenner.

The Senator who voted in the negative was: Vyhovsky.

Those Senators absent and not voting were: Mazza, Ram Hinsdale.

Senate President *pro tempore* Assumes the Chair

Bill Amended; Third Reading Ordered

S. 253.

Senator Bray, for the Committee on Natural Resources and Energy, to which was referred Senate bill entitled:

An act relating to building energy codes.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds:

(1) According to the 2020 State of Vermont Greenhouse Gas Emissions Inventory Update and Forecast, home and business heating and cooling is the second largest source of greenhouse gas (GHG) emissions in Vermont.

(2) Under 10 V.S.A. § 578, the State has an obligation to meet named GHG reduction requirements. In order to attain these reductions, GHG emissions from the thermal sector, that is, the heating and cooling of homes and businesses, must be reduced.

(3) One method of reducing thermal sector emissions is to increase the energy efficiency of Vermont's homes and businesses through building to an energy-efficient building energy standard.

(4) Vermont established the Residential Building Energy Standards (RBES) in 1997 and the Commercial Building Energy Standards (CBES) in 2007. The Department of Public Service is responsible for adopting and updating these codes regularly but does not have the capacity to administer or enforce them.

(5) 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.

(6) 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.

(7) 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.

Sec. 2. ENERGY CODE COMPLIANCE; WORKING GROUP

(a) Creation. There is created the Building Energy Code Working Group to recommend strategies for increasing compliance with the Residential Building Energy Standards (RBES) and Commercial Building Energy Standards (CBES).

(b) Membership. The Working Group shall have 15 members with applicable expertise, to include program design and implementation, building code administration and enforcement, and Vermont's construction industry. The Committee on Committees shall appoint one Senator. The Speaker of the

House shall appoint one member of the House. 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;
- (10) a representative from a regional planning commission;
- (11) a representative from the Vermont Housing and Conservation Board;
- (12) a representative of the Office of Professional Regulation; and
- (13) a representative from the Vermont Association of Realtors.

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

- (1) recommend strategies and programs to increase awareness of and compliance with the RBES and CBES, including the use of appropriate certifications for contractors trained on the energy codes;
- (2) develop plans and recommendations for a potential transition to a comprehensive program for the RBES and CBES at the Divisions of Fire Safety, including potential funding sources; and
- (3) consider whether or not the State should adopt a statewide building code.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Department of Public Service. The Working Group may hire a third-party consultant to assist and staff the Working Group, which may be funded by monies appropriated by the General Assembly, or any grant funding received.

(e) Report. On or before January 15, 2025, and annually until 2030, the Working Group shall submit a written report to the Senate Committee on

Natural Resources and Energy and the House Committee on Environment and Energy with its findings and recommendations for legislative action.

(f) Meetings.

(1) The Department of Public Service shall call the first meeting of the Working Group to occur on or before July 15, 2024.

(2) The Working Group shall elect 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 15, 2030.

(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 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 in fiscal year 2025.

(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 in fiscal year 2025.

(3) The payments under this subsection shall be made from monies appropriated by the General Assembly or any grant funding received.

Sec. 3. 30 V.S.A. § 51(c) is amended to read:

(c) Revision and interpretation of energy standards. The Commissioner of Public Service shall amend and update the RBES by means of administrative rules adopted in accordance with 3 V.S.A. chapter 25. On or before January 1, 2011, the Commissioner shall complete rulemaking to amend the energy standards to ensure that, to comply with the standards, residential construction must be designed and constructed in a manner that complies with the 2009 edition of the IECC. After January 1, 2011, the Commissioner ~~shall ensure that appropriate revisions are made promptly~~ may direct the timely and appropriate revision of the RBES after the issuance of updated standards for residential construction under the IECC. The Department of Public Service shall provide technical assistance and expert advice to the Commissioner in the interpretation of the RBES and in the formulation of specific proposals for amending the RBES. Prior to final adoption of each required revision of the RBES, the Department of Public Service shall convene an Advisory Committee to include one or more mortgage lenders, builders, building

designers, utility representatives, and other persons with experience and expertise, such as consumer advocates and energy conservation experts. The Advisory Committee may provide the Commissioner with additional recommendations for revision of the RBES.

* * *

Sec. 4. 30 V.S.A. § 53(c) is amended to read:

(c) Revision and interpretation of energy standards. On or before January 1, 2011, the Commissioner shall complete rulemaking to amend the commercial building energy standards to ensure that commercial building construction must be designed and constructed in a manner that complies with ANSI/ASHRAE/IESNA standard 90.1-2007 or the 2009 edition of the IECC, whichever provides the greatest level of energy savings. ~~At least every three years after January 1, 2011, the~~ The Commissioner of Public Service shall amend and update the CBES by means of administrative rules adopted in accordance with 3 V.S.A. chapter 25. ~~The Commissioner shall ensure that appropriate revisions are made promptly~~ may direct the timely and appropriate revision of the CBES after the issuance of updated standards for commercial construction under the IECC or ASHRAE/ANSI/IESNA standard 90.1, whichever provides the greatest level of energy savings. Prior to final adoption of each required revision of the CBES, the Department of Public Service shall convene an Advisory Committee to include one or more mortgage lenders; builders; building designers; architects; civil, mechanical, and electrical engineers; utility representatives; and other persons with experience and expertise, such as consumer advocates and energy conservation experts. The Advisory Committee may provide the Commissioner of Public Service with additional recommendations for revision of the CBES.

* * *

Sec. 5. RESIDENTIAL BUILDING CONTRACTOR REGISTRY;
WEBSITE UPDATES

(a) As part of its application to register with the residential building contractor registry administered by the Vermont Secretary of State, the Office of Professional Regulation shall require that a registrant:

(1) designate the geographic areas the registrant serves;

(2) designate the trade services the registrant offers from a list of trade services compiled by the Office; and

(3) acknowledge that compliance with 30 V.S.A. §51 (residential building energy standards) and 30 V.S.A. § 53 (commercial building energy standards) is required.

(b) On or before January 1, 2025, the Office of Professional Regulation shall update the website for the residential building contractor registry administered by the Vermont Secretary of State to:

(1) regularize usage of the term “residential contractor,” or another term selected by the Office, across the website to replace usages of substantially similar terms, such as “builder,” “contractor,” or “residential building contractor”;

(2) publish a registrant’s designations under subdivisions (a)(1) and (a)(2) of this section in the registrant’s listing on the website;

(3) implement a search feature to enable consumers to filter registrants by trade service provided, geographic area served, voluntary certification, or any other criteria the Office deems appropriate; and

(4) add a clear and conspicuous notice that a residential contractor is required by law to comply with State building energy standards.

Sec. 6. RESIDENTIAL BUILDING CONTRACTOR CONTRACT TEMPLATES

The Office of Professional Regulation shall update any contract template the Office furnishes for residential building contracting to provide that the residential contractor is required to comply with 30 V.S.A. § 51 (residential building energy standards) and 30 V.S.A. § 53 (commercial building energy standards).

Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

The President Resumes the Chair

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported that the bill ought to pass when so amended.

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

Consideration Interrupted by Adjournment

S. 310.

Senate committee bill entitled:

An act relating to natural disaster government response, recovery, and resiliency.

Having appeared on the Calendar for notice for one day, was taken up.

Senator Hardy, for the Committee on Government Operations, to which the bill was referred, reported recommending the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Creation of the Community Resilience and Disaster
Mitigation Grant Program and Fund * * *

Sec. 1. 20 V.S.A. § 48 is added to read:

§ 48. COMMUNITY RESILIENCE AND DISASTER MITIGATION
GRANT PROGRAM

(a) Program established. There is established the Community Resilience and Disaster Mitigation Grant Program to award grants to covered municipalities to provide support for disaster mitigation, adaptation, or repair activities.

(b) Definition. As used in this section, “covered municipality” means a city, town, fire district or incorporated village, and all other governmental incorporated units that participate in the National Flood Insurance Program in accordance with 42 U.S.C. Chapter 50.

(c) Administration; implementation.

(1) Grant awards. The Department of Public Safety, in coordination with the Department of Environmental Conservation, shall administer the Program, which shall award grants for the following:

(A) technical assistance for natural disaster mitigation, adaptation, or repair to municipalities;

(B) technical assistance for the improvement of municipal stormwater systems and other municipal infrastructure;

(C) projects that implement disaster mitigation measures, adaptation, or repair, including watershed restoration and similar activities that directly reduce risks to communities, lives, public collections of historic value, and property; and

(D) projects to adopt and meet the State’s model flood hazard bylaws.

(2) Grant Program design. The Department of Public Safety, in coordination with the Department of Environmental Conservation, shall design the Program. The Program design shall:

(A) establish an equitable system for distributing grants statewide on the basis of need according to a system of priorities, including the following, ranked in priority order:

(i) projects that meet the standards established by the Department of Environmental Conservation's Stream Alteration Rule and Flood Hazard Area and River Corridor Rule.

(ii) projects that use funding as a match for other grants, including grants from the Federal Emergency Management Agency (FEMA);

(iii) projects that are in hazard mitigation plans; and

(iv) projects that are geographically located around the State, but with a priority for projects in communities identified as high on the municipal vulnerability index, as determined by the Vermont Climate Council;

(B) establish guidelines for disaster mitigation measures and costs that will be eligible for grant funding; and

(C) establish eligibility criteria for covered municipalities, but allow municipalities to partner with community organizations to apply for grants and implement projects awarded funding by those grants.

Sec. 2. 20 V.S.A. § 49 is added to read:

§ 49. COMMUNITY RESILIENCE AND DISASTER MITIGATION FUND

(a) Creation. There is established the Community Resilience and Disaster Mitigation Fund to provide funding to the Community Resilience and Disaster Mitigation Grant Program established in section 48 of this title. The Fund shall be administered by the Department of Public Safety.

(b) Monies in the Fund. The Fund shall consist of monies appropriated to the Fund.

(c) Fund administration.

(1) The Commissioner of Finance and Management may anticipate receipts to this Fund and issue warrants based thereon.

(2) The Commissioner of Public Safety shall maintain accurate and complete records of all receipts by and expenditures from the Fund.

(3) All balances remaining at the end of a fiscal year shall be carried over to the following year.

(d) Reports. On or before January 15 each year, the Commissioner of Public Safety shall submit a report to the House Committees on Environment and Energy and House Government Operations and Military Affairs and the

Senate Committees on Government Operations and Natural Resources and Energy with an update on the expenditures from the Fund. For each fiscal year, the report shall include a summary of each project receiving funding. 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.

Sec. 3. COMMUNITY RESILIENCE AND DISASTER MITIGATION
GRANT PROGRAM; APPROPRIATION

In fiscal year 2025, the amount of \$15,000,000.00 in general funds shall be appropriated to the Community Resilience and Disaster Mitigation Fund established in 20 V.S.A. § 49.

Sec. 4. 32 V.S.A. § 8557 is amended to read:

§ 8557. VERMONT FIRE SERVICE TRAINING COUNCIL

(a)(1) Sums for the expenses of the operation of training facilities and curriculum of the Vermont Fire Service Training Council not to exceed ~~\$1,200,000.00~~ \$1,350,000.00 per year shall be paid to the Fire Safety Special Fund created by 20 V.S.A. § 3157 by insurance companies, writing fire, homeowners multiple peril, allied lines, farm owners multiple peril, commercial multiple peril (fire and allied lines), private passenger and commercial auto, and inland marine policies on property and persons situated within the State of Vermont within 30 days after notice from the Commissioner of Financial Regulation of such estimated expenses. Captive companies shall be excluded from the effect of this section.

* * *

(4) An amount not less than ~~\$150,000.00~~ \$300,000.00 shall be specifically allocated to the Emergency Medical Services Special Fund established under 18 V.S.A. § 908 for the provision of training programs for certified Vermont EMS first responders and licensed emergency medical responders, emergency medical technicians, advanced emergency medical technicians, and paramedics.

* * *

* * * Benefits for Survivors of Public Works Personnel * * *

Sec. 5. 20 V.S.A. § 2 is amended to read:

§ 2. DEFINITIONS

As used in this chapter:

* * *

(6) “Emergency management” means the preparation for and implementation of all emergency functions, other than the functions for which the U.S. Armed Forces or other federal agencies are primarily responsible, to prevent, plan for, mitigate, and support response and recovery efforts from all-hazards. Emergency management includes the utilization of first responders and other emergency management personnel and the equipping, exercising, and training designed to ensure that this State and its communities are prepared to deal with all-hazards.

(7) “First responder” means State, county, and local governmental and nongovernmental personnel who provide immediate support services necessary to perform emergency management functions, including:

(A) emergency management and public safety personnel;

(B) firefighters, as that term is defined in section 3151 of this title;

(C) law enforcement officers, as that term is defined in section 2351a of this title;

(D) public safety telecommunications and dispatch personnel;

(E) emergency medical personnel and volunteer personnel, as those terms are defined in 24 V.S.A. § 2651;

(F) licensed professionals who provide clinical services, including emergency care, in hospitals;

(G) public health personnel;

(H) public works personnel, including water, wastewater, and stormwater personnel; and

(I) equipment operators and other skilled personnel, who provide services necessary to enable the performance of emergency management functions.

(8) “Hazard mitigation” means any action taken to reduce or eliminate the threat to persons or property from all-hazards.

~~(8)~~(9) “Hazardous chemical or substance” means:

* * *

~~(9)~~(10) “Hazardous chemical or substance incident” means any mishap or occurrence involving hazardous chemicals or substances that may pose a threat to persons or property.

~~(10)~~(11) “Homeland security” means the preparation for and carrying out of all emergency functions, other than the functions for which the U.S. Armed Forces or other federal agencies are primarily responsible, to prevent, minimize, or repair injury and damage resulting from or caused by enemy attack, sabotage, or other hostile action.

~~(11)~~(12) “Radiological incident” means any mishap or occurrence involving radiological activity that may pose a threat to persons or property.

Sec. 6. 20 V.S.A. chapter 181 is amended to read:

CHAPTER 181. BENEFITS FOR THE SURVIVORS OF EMERGENCY
AND PUBLIC WORKS PERSONNEL

§ 3171. DEFINITIONS

As used in this chapter:

(1) “Board” means the Emergency and Public Works Personnel Survivors Benefit Review Board.

(2) “Child” means a natural or legally adopted child, regardless of age.

(3) “Domestic partner” means an individual with whom the employee has an enduring domestic relationship of a spousal nature, provided the employee and the domestic partner:

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

(B) are at least 18 years of age;

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

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

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

(4) “Emergency personnel” means:

(A) firefighters as defined in subdivision 3151(3) of this title; and

(B) emergency medical personnel and volunteer personnel as defined in 24 V.S.A. § 2651.

~~(4)~~(5) “Line of duty” means:

(A) for emergency personnel:

(i) answering or returning from a call of the department for a fire or emergency or training drill; or

~~(B)~~(ii) similar service in another town or district to which the department has been called for firefighting or emergency purposes; and

(B) for public works personnel, work performed:

(i) in a hazardous location;

(ii) as part of an emergency response to an all-hazards event, as that term is defined in section 2 of this title; or

(iii) in conjunction with emergency personnel in a construction zone, highway traffic area, or other location in which the public works personnel is exposed to risk of injury or fatality from construction hazards, highway traffic volume and speed, nighttime response, environmental factors, weather, or other hazardous conditions.

~~(5)~~(6) “Occupation-related illness” means a disease that directly arises out of, and in the course of, service, including a heart injury or disease symptomatic within 72 hours from the date of last service in the line of duty, which shall be presumed to be incurred in the line of duty.

~~(6)~~(7) “Parent” means a natural or adoptive parent.

(8) “Public works personnel” includes water, wastewater, and stormwater personnel.

(9) “Spouse” includes a domestic partner or civil union partner.

~~(7)~~(10) “Survivor” means a spouse, child, or parent of emergency personnel or public works personnel who have died in the line of duty.

§ 3172. EMERGENCY AND PUBLIC WORKS PERSONNEL SURVIVORS BENEFIT REVIEW BOARD

(a) There is created the Emergency and Public Works Personnel Survivors Benefit Review Board, which shall consist of the State Treasurer or designee, the Attorney General or designee, the Chief Fire Service Training Officer of the Vermont Fire Service Training Council or designee, and ~~one member~~ two members of the public, one to represent the interests of emergency personnel and one to represent the interests of public works personnel, who shall be appointed by the Governor for a term of two years. Survivors of emergency personnel or public works personnel, employed by or who volunteer for the State of Vermont, a county or municipality of the State, or a nonprofit entity that provides services in the State, who die in the line of duty or of an occupation-related illness may request the Board award a monetary benefit under section 3173 of this title. The Board shall be responsible for determining whether to award monetary benefits under section 3173. A decision to award monetary benefits shall be made by unanimous vote of the

Board and shall be made within 60 days after the receipt of all information necessary to enable the Board to determine eligibility. The Board may request any information necessary for the exercise of its duties under this section. Nothing in this section shall prevent the Board from initiating the investigation or determination of a claim before being requested by a survivor or employer of emergency personnel.

* * *

(c) If the Board decides to award a monetary benefit, the benefit shall be paid to the surviving spouse or, if the emergency personnel or public works personnel had no spouse at the time of death, to the surviving child, or equally among surviving children. If the deceased emergency personnel or public works personnel is not survived by a spouse or child, the benefit shall be paid to a surviving parent, or equally between surviving parents. If the deceased emergency personnel or public works personnel is not survived by a spouse, children, or parents, the Board shall not award a monetary benefit under this chapter.

* * *

(f) ~~The~~ Each member of the public appointed by the Governor shall be entitled to per diem compensation authorized under 32 V.S.A. § 1010 for each day spent in the performance of ~~his or her~~ the member's duties.

§ 3173. MONETARY BENEFIT

(a) The survivors of emergency personnel or public works personnel who ~~dies~~ die while in the line of duty or from an occupation-related illness may apply for a payment of ~~\$50,000.00~~ up to \$80,000.00 from the State.

* * *

§ 3175. EMERGENCY AND PUBLIC WORKS PERSONNEL SURVIVORS BENEFIT SPECIAL FUND

(a) The Emergency and Public Works Personnel Survivors Benefit Special Fund is established in the Office of the State Treasurer for the purpose of the payment of claims distributed pursuant to this chapter. The Fund shall comprise appropriations made by the General Assembly, amounts transferred by the Emergency Board when the General Assembly is not in session, and contributions or donations from any other source. All balances in the Fund at the end of the fiscal year shall be carried forward. Interest earned shall remain in the Fund.

(b) In the event that the balance of the Fund is insufficient to pay monetary benefits awarded by the Board when the General Assembly is not in session, the Emergency Board may, pursuant to its authority under 32 V.S.A. § 133, transfer into the Fund additional amounts necessary to pay the monetary benefits.

* * *

* * * Emergency Management * * *

Sec. 7. 20 V.S.A. § 6 is amended to read:

§ 6. LOCAL AND REGIONAL ORGANIZATION FOR EMERGENCY MANAGEMENT

(a) Each town and city of this State ~~is hereby authorized and directed to~~ shall establish a local organization for emergency management in accordance with the State emergency management plan and program. The executive officer or legislative branch of the town or city ~~is authorized to~~ shall appoint a town or city emergency management director who shall have direct responsibility for the organization, administration, and coordination of the local organization for emergency management, subject to the direction and control of the executive officer or legislative branch. If the town or city ~~that~~ has not adopted the town manager form of government in accordance with 24 V.S.A. chapter 37 and the executive officer or legislative branch of the town or city has not appointed an emergency management director, the executive officer or legislative branch ~~shall be the~~ appoint a town or city emergency management director. The town or city emergency management director may appoint an emergency management coordinator and other staff as necessary to accomplish the purposes of this chapter. In an instance of a vacancy of the position of a town or city emergency management director, the executive officer or the chair or president of the legislative branch shall be the emergency management director.

(b) Each local organization for emergency management shall perform emergency management functions within the territorial limits of the town or city within which it is organized ~~and, in which may include coordinating the~~ utilization of first responders and other emergency management personnel pursuant to the all-hazards emergency management plan adopted pursuant to subsection (c) of this section. In addition, each local organization for emergency management shall conduct such functions outside the territorial limits as may be required pursuant to the provisions of this chapter and in accord with rules adopted by the Governor.

(c)(1) Each local organization shall develop and maintain an all-hazards emergency management plan in accordance with the State Emergency Management Plan and guidance set forth by the Division of Emergency Management.

(2) The Division shall amend the local emergency plan template and any best management practices or guidance the Division issues to municipalities to address the need for the siting of local and regional emergency shelters in a manner that allows access by those in need during an all-hazards event.

(3) The Division shall advise municipalities that when a shelter is sited under a local emergency plan, the municipality should work with the Agency of Human Services and the American Red Cross to assess the facility, including the characteristics of the surrounding area during an all-hazards event and multiple routes of travel and possible hazards that could prevent access to the shelter.

(4) The Division, in coordination with the Agency of Human Services, shall advise municipalities, upon completion of a local emergency management plan, on how to conduct training and exercises pertaining to sheltering.

(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.

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

(B) Nonvoting members. Nonvoting members may include representatives from the following organizations serving within the region: fire departments, emergency medical services, law enforcement, other entities providing emergency response personnel, media, transportation, regional planning commissions, hospitals, the Department of Health's district office, the Division of Emergency Management, organizations serving vulnerable populations, local libraries, arts and culture organizations, regional development corporations, local business organizations, and any other interested public or private individual or organization.

* * *

Sec. 8. 20 V.S.A. § 31 is amended to read:

§ 31. STATE EMERGENCY RESPONSE COMMISSION; DUTIES

(a) The Commission shall have authority to:

* * *

(7) Ensure that a ~~State plan~~ the State Emergency Management Plan will go into effect when an accident occurs involving the transportation of

hazardous materials. The ~~plan~~ Plan shall be exercised at least once annually and shall be coordinated with local and State emergency plans.

* * *

Sec. 9. 20 V.S.A. § 32 is amended to read:

§ 32. LOCAL EMERGENCY PLANNING COMMITTEES; CREATION;
DUTIES

(a) One or more local emergency planning committees, created under EPCRA, shall be appointed by the State Emergency Response Commission. “EPCRA” means the federal Emergency Planning and Community Right-To-Know Act of 1986, 42 U.S.C. §§ 11001–11050.

(b) All local emergency planning committees shall include representatives from the following: fire departments; local and regional emergency medical services; local, county, and State law enforcement; other entities providing first responders or emergency management personnel; media; transportation; regional planning commissions; hospitals; industry; the Vermont National Guard; the Department of Health’s district office; and an animal rescue organization, and may include any other interested public or private individual or organization. Where the local emergency planning committee represents more than one region of the State, the Commission shall appoint representatives that are geographically diverse.

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

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

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

(B) Describes the utilization of first responders and other emergency management personnel and emergency response procedures, including those identified in facility plans.

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

(D) Outlines emergency notification procedures.

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

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

(G) Outlines evacuation plans.

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

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

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

(3) Consult and coordinate with the heads of local government emergency services, the emergency management director or designee, persons in charge of local first responders and other local emergency management personnel, regional planning commissions, and the managers of all facilities within the jurisdiction regarding the facility plan.

(4) Review and evaluate requests for funding and other resources and advise the State Emergency Response Commission concerning disbursement of funds.

(5) Work to support the various emergency services and other entities providing first responders or emergency management personnel, mutual aid systems, town governments, regional planning commissions, State agency district offices, and others in their area in conducting coordinated all-hazards emergency management activities.

Sec. 10. 20 V.S.A. § 41 is added to read.

§ 41. STATE EMERGENCY MANAGEMENT PLAN.

The Department of Public Safety's Vermont Emergency Management Division shall create, and republish as needed, but not less than every five years, a comprehensive State Emergency Management Plan. The Plan shall detail response systems during all-hazards events, including communications, coordination among State, local, private, and volunteer entities, and the deployment of State and federal resources. The Plan shall also detail the State's emergency preparedness measures and goals, including those for the prevention of, protection against, mitigation of, and recovery from all-hazards events. The Plan shall include templates and guidance for local emergency plans that support municipalities in their respective emergency management planning.

Sec. 11. VERMONT EMERGENCY MANAGEMENT DIVISION
DISASTER PREPAREDNESS REVIEW

(a) Review. On or before June 30, 2024, the Department of Public Safety's Division of Vermont Emergency Management (VEM) shall conduct an after-action review of the State's disaster preparedness leading up to, during, and after the 2023 summer flooding events throughout the State, overseen by the Director of VEM. The review shall examine all aspects of the State's response and shall include input from the whole community. In addition to the federal Homeland Security Exercise and Evaluation Program's requirements, the review shall include examining the adequacy of early warning and evacuation orders, designated evacuation routes and emergency shelters, the present system of local emergency management directors in wide-spread emergencies and the State's present emergency communications systems.

(b) Report. On or before December 15, 2025, the Director of VEM shall submit a written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations with its findings regarding the disaster preparedness review, and, if the Director determines there to be inadequacies present in the State's disaster preparedness, a plan for improving the State's disaster preparedness, which may include any recommendations for legislative action.

Sec. 12. ESTABLISHMENT OF FIVE AND A HALF NEW REGIONAL
EMERGENCY MANAGEMENT PROGRAM COORDINATORS;
APPROPRIATION

(a) Five new permanent full-time positions are created in the Department of Public Safety's Emergency Management Division for emergency management coordination.

(b) One new permanent part-time position is created in the Department of Public Safety's Emergency Management Division for emergency management coordination.

(c) The sum of \$550,000.00 is appropriated from the General Fund to the Department of Public Safety in fiscal year 2025 for the purpose of funding five and a half new Regional Emergency Management Program Coordinators.

* * * Municipal Stormwater Utilities * * *

Sec. 13. 24 V.S.A. chapter 101 is amended to read:

CHAPTER 101. SEWAGE, SEWAGE DISPOSAL SYSTEM, AND
STORMWATER SYSTEMS

§ 3601. DEFINITIONS

~~The definitions established in section 3501 of this title shall establish the meanings of those words as used in this chapter, and the following words and phrases as used in As used in this chapter shall have the following meanings:~~

~~(1) “Necessity” means a reasonable need that considers the greatest public good and the least inconvenience and expense to the condemning party and to the property owner. Necessity shall not be measured merely by expense or convenience to the condemning party. Due consideration shall be given to the adequacy of other property and locations; to the quantity, kind, and extent of property that may be taken or rendered unfit for use by the proposed taking; to the probable term of unfitness for use of the property; to the effect of construction upon scenic and recreational values, upon home and homestead rights and the convenience of the owner of the land; to the effect upon town grand list and revenues.~~

~~(2) “Board” means the board of sewage disposal system commissioners.~~

~~(2) “Domestic sewage” or “house sewage” means sanitary sewage derived principally from dwellings, business buildings, and institutions.~~

~~(3) “Industrial wastes” or “trade wastes” means liquid wastes from industrial processes, including suspended solids.~~

~~(4) “Necessity” means a reasonable need that considers the greatest public good and the least inconvenience and expense to the condemning party and to the property owner. Necessity shall not be measured merely by expense or convenience to the condemning party. Due consideration shall be given to the adequacy of other property and locations; to the quantity, kind, and extent of property that may be taken or rendered unfit for use by the proposed taking; to the probable term of unfitness for use of the property; to the effect of construction upon scenic and recreational values, upon home and homestead rights and the convenience of the owner of the land; to the effect upon town grand list and revenues.~~

~~(5) “Sanitary sewage” means used water supply commonly containing human excrement.~~

~~(6) “Sanitary treatment” means an approved method of treatment of solids and bacteria in sewage before final discharge.~~

~~(7) “Sewage” means the used water supply of a community, including such used water supply or stormwater as may or may not be mixed with these liquid wastes from the community.~~

~~(8) “Sewage system” means any equipment, stormwater control system, pipe line system, and facilities as are needed for and appurtenant to the~~

treatment or disposal of sewage and waters, including a sewage treatment or disposal plant and separate pipe lines and structural or nonstructural facilities as are needed for and appurtenant to the treatment or disposal of storm, surface, and subsurface waters.

(9) The phrase “sewage treatment or disposal plant” shall include includes, for the purposes of this chapter, any plant, equipment, system, and facilities, whether structural or nonstructural, as are necessary for and appurtenant to the treatment or disposal by approved sanitary methods of domestic sewage, garbage, industrial wastes, stormwater, or surface water.

(10) “Stormwater” has the same meaning as “stormwater runoff” under 10 V.S.A. § 1264.

(11) “Stormwater management system” means any structure, or improvement, whether structural or nonstructural, necessary for collecting, containing, controlling, treating, or conveying stormwater, including sewers, curbs, drains, conduits, natural and man-made channels, settling ponds, pipes, and culverts.

§ 3602. BOARD OF COMMISSIONERS; MEMBERSHIP

(a) Except as provided for in subsection (b) of this section, the selectboard of a town, the trustees of a village, the prudential committee of a fire or lighting district, or the mayor and board of aldermen of a city, shall be the board of commissioners for the sewage system of a municipality.

(b) The legislative body of the municipality may vote to constitute a separate board of sewage system commissioners. The board shall have not less than three nor more than seven members, who shall be legally qualified voters of the municipality. Members shall be appointed, and any vacancy filled, by the legislative body of the municipality. The term of each member shall be four years. Any member may be removed by the legislative body of the municipality for just cause after due notice and hearing.

§ 3603. BOARD OF COMMISSIONERS; DUTIES AND AUTHORITY

(a) The board shall have the supervision of the municipal sewage system and shall make and establish all needed rates for rent and rules for control and operation of the system. The board may require:

(1) the owners of buildings, subdivisions, or developments abutting a public street or highway to have all sewers from those buildings, subdivisions, or developments connected to the municipal corporations sewer system; and

(2) any individual, person, or corporation to connect to the municipal sewage system for the purposes of abating pollution of the waters of the State.

(b) The commissioners may appoint or remove a superintendent at their pleasure.

§ ~~3602~~ 3604. SEWAGE DISPOSAL PLANT, SYSTEM; CONSTRUCTION

A municipal corporation may:

(1) construct, maintain, operate, and repair a sewage disposal plant and system, to;

(2) pursuant to the procedures established in this chapter, take, purchase, and acquire, in the manner hereinafter mentioned, real estate and easements necessary for its purposes;

(3) may enter in and upon any land for the purpose of making surveys; and

(4) may lay and connect pipes, stormwater management systems, and sewers, and connect the same as may be necessary to convey sewage for the purpose of disposing and dispose of sewage by such municipal corporation.

§ ~~3603~~ 3605. ENTRY ON LANDS

~~Such~~ A municipal corporation, for the purposes enumerated in section ~~3602~~ 3604 of this title chapter, may:

(1) enter upon and use any land and enclosures over or through which it may be necessary for pipes, stormwater management systems, and sewer to pass, and may thereon;

(2) at any time, place, lay, and construct such any pipes and sewers, appurtenances, and connections as may be necessary for the complete construction and repairing of the same from time to time, may the system; and

(3) open the ground in any streets, lanes, avenues, highways, and public grounds for the purposes hereof; described in this section, provided that such the streets, lanes, avenues, highways, and public grounds shall not be injured, but shall be left in as good condition as before the laying of such the pipes, stormwater management systems, and sewers.

§ ~~3604~~ 3606. PETITION FOR HEARING TO DETERMINE NECESSITY

The municipal corporation may agree with all the owners of land or interest in land affected by ~~the~~ a survey made under section ~~3602~~ 3604 of this title chapter for the conveyance of ~~their~~ the owners' interest. Where ~~such~~ the agreement is not made, the board shall petition ~~a Superior judge~~ the Civil Division of the Superior Court, setting forth ~~therein in the petition~~ that such the board proposes to take certain land, or rights therein in the land, and describing such the lands or rights, and the. The survey shall be ~~annexed to said included in the petition and made a part thereof~~. ~~Such~~ The petition shall

set forth the purposes for which ~~such~~ the land or rights are desired, and shall contain a request that ~~such judge~~ the court fix a time and place when ~~he or she or some other Superior judge~~ the court will hear all parties concerned and determine whether ~~such~~ the taking is necessary.

§ ~~3605~~ 3607. HEARING TO DETERMINE NECESSITY

The judge to whom ~~such~~ the petition is presented shall fix the time for hearing, which shall not be more than 60 ~~nor~~ or less than 30 days from the date the judge signs ~~such~~ the order. Likewise, the judge shall fix the place for hearing, which shall be the county courthouse or any other convenient place within the county in which the land in question is located. If the Superior judge to whom ~~such~~ the petition is presented cannot hear the petition at the time set ~~therefore for the hearing, the Superior judge shall call upon~~ the Chief Superior Judge to shall assign another Superior judge to hear ~~such~~ the cause at the time and place assigned in the order.

§ ~~3606~~ 3608. SERVICE AND PUBLICATION OF PETITION

(a) A copy of the petition together with a copy of the court's order fixing the time and place of hearing shall be published in a newspaper having general circulation in the town in which the land included in the survey lies once a week for three consecutive weeks on the same day of the week, ~~the~~. The last publication to be not less than five days before the hearing date, ~~and a~~.

(b) A copy of the petition, together with a copy of the court's order fixing the time and place of hearing, and a copy of the survey shall be placed on file in the clerk's office of the town.

(c) The petition, together with the court's order fixing the time and place of hearing, shall be served upon each person owning or having an interest in land to be purchased or condemned like a summons, or, on absent defendants, in ~~such~~ the manner as the Supreme Court may by rule provide for service of process in civil actions. If the service on any defendant is impossible, upon affidavit of the sheriff, deputy sheriff, or constable attempting service, ~~therein~~ stating that the location of the defendant within or without outside the State is unknown and that ~~he or she~~ the defendant has no known agent or attorney in the State of Vermont upon ~~which~~ whom service may be made, the publication ~~herein provided~~ required by this section shall be deemed sufficient service on the defendant.

(d) Compliance with the provisions ~~hereof~~ of this section shall constitute sufficient service upon and notice to any person owning or having any interest in the land proposed to be taken or affected.

§ ~~3607~~ 3609. HEARING AND ORDER OF NECESSITY

(a) At the time and place appointed for the hearing, the court shall hear all

persons interested and wishing to be heard. If any person owning or having an interest in land to be taken or affected appears and objects to the necessity of taking the land included within the survey or any part thereof of the survey, then the court shall require the board to proceed with the introduction of evidence of the necessity of ~~sueh~~ the taking.

(b) The burden of proof of the necessity of the taking shall be upon the board.

(c) The court may cite in additional parties including other property owners whose interests may be concerned or affected by any taking of land or interest ~~therein~~ in land based on any ultimate order of the court.

(d) The court shall make findings of fact and file them. The court shall, by its order, determine whether necessity requires the taking of ~~sueh~~ land and rights and may modify or alter the proposed taking ~~in such respects as to it~~ the court may seem deem proper.

§ 3608 3610. APPEAL FROM ORDER OF NECESSITY

(a) If the State, municipal corporation, or any owner affected by the order of the court is aggrieved ~~thereby~~ by the order, an appeal may be taken to the Supreme Court in ~~sueh~~ the manner as the Supreme Court may by rule provide for appeals from the Civil Division of the Superior courts Court.

(b) In the event an appeal is taken, all proceedings shall be stayed until final disposition of the appeal. If no appeals are taken within the time provided ~~therefor~~ or, if appeal is taken, upon its final disposition, a copy of the order of the court shall be placed on file within 10 days in the office of the clerk of each town in which the land affected lies, and ~~thereafter~~ for a period of one year, the board may institute proceedings for the condemnation of the land included in the survey as finally approved by the court without further hearing or consideration of any question of the necessity of the taking.

§ 3609 3611. COMPENSATION; CONDEMNATION

(a) When an owner of land or rights ~~therein~~ in land and the board are unable to agree on the amount of compensation ~~therefor~~ or in case the owner is an infant, a person who lacks capacity to protect ~~his or her~~ the person's interests due to a mental condition or psychiatric disability, absent from the State, unknown, or the owner of a contingent or uncertain interest, a Superior judge may, on the application of either party, cause the notice to be given of the application as ~~he or she~~ the judge may prescribe, and after proof ~~thereof~~ of the application, the judge may appoint three disinterested persons to examine the property to be taken, or damaged by the municipal corporation.

(b) After being duly sworn, the commissioners shall, upon due notice to all parties in interest, view the premises, hear the parties in respect to the property, and shall assess and award to the owners and persons so interested just damages for any injury sustained and make report in writing to the judge.

(c) In determining damages resulting from the taking or use of property under the provisions of this chapter, the added value, if any, to the remaining property or right ~~therein~~ in property that inures directly to the owner ~~thereof~~ as a result of the taking or use as distinguished from the general public benefit, shall be considered.

(d) The judge may ~~thereupon~~ accept the report, unless just cause is shown to the contrary, and order the municipal corporation to pay the same in the time and manner as the judge may prescribe, in full compensation for the property taken, or the injury done by the municipal corporation, or the judge may reject or recommit the report if the ends of justice so require. On compliance with the order, the municipal corporation may proceed with the construction of its work without liability for further claim for damages. In ~~his or her~~ the judge's discretion, the judge may award costs in the proceeding. Appeals from the order may be taken to the Supreme Court under 12 V.S.A. chapter 102.

§ ~~3610~~ 3612. RECORD

Within 60 days after the taking of any property, franchise, easement, or right under the provisions of this chapter, ~~sueh~~ the municipal corporation shall file a description ~~thereof~~ of the property in the office of the clerk ~~wherein~~ where the land records are required by law to be kept.

§ ~~3611~~ 3613. CONTRACT FOR SEWAGE DISPOSAL

(a) ~~Sueh~~ A municipal corporation may contract with the State, the federal government, or any appropriate agency ~~thereof~~, of the State or federal government; any town, city, or village; ~~any corporation~~; and any individuals to make disposal of sewage or stormwater for ~~sueh~~ the other town, city, village, corporation, or individuals. ~~Sueh~~ When consistent with State or federal law, the municipal corporation may make sale of sludge or fertilizer byproducts incident to sewage disposal, and the proceeds from the sale thereof shall be turned over to the treasury of ~~sueh~~ the sewage disposal ~~distriet~~ system and credited ~~therein~~ as is other income derived under the authority of this chapter.

* * *

§ ~~3612~~ 3614. CHARGES; ENFORCEMENT

(a) ~~The owner of any tenement, house, building, or lot shall be liable for~~

~~the sewage disposal charge as hereinafter defined. Such sewage disposal charge~~ A property owner or group of property owners using the sewage system shall be liable for the rent fixed by the board pursuant to this chapter. The charges, rates, or rents for the sewage system shall be a lien upon the real estate furnished with such service in the same manner and to the same effect as taxes are a lien upon real estate under 32 V.S.A. § 5061 and shall be an assessment enforceable under the procedures in subsections subsection (b), (c), or (d) of this section, or a combination of these procedures.

* * *

§ ~~3613~~ 3615. TAXES, BONDS

For the purpose of adequately making disposal of sewage within its boundaries; successfully organizing, establishing, and operating its sewage plant, sewage disposal plant, or some form of sewage treatment plant; and making such improvements as may be necessary, a municipal corporation may from time to time:

(1) purchase, take, and hold real and personal estate;

(2) borrow money;

(3) levy, and collect taxes upon the ratable estate of the municipal corporation necessary for the payment of municipal corporation sewage and sewage disposal expenses and indebtedness;

(4) issue for the purposes hereof of this section evidences of indebtedness pursuant to chapter 53, subchapter 2 of this title or its negotiable bonds pursuant to chapter 53, subchapter 1 of this title; provided, however, that bonds so issued:

(1)(A) shall not be considered as indebtedness of ~~such~~ the municipal corporation limited by the provisions of section 1762 of this title;

(2)(B) may be paid in not more than 30 years from the date of issue notwithstanding the limitation of section 1759 of this title;

(3)(C) may be authorized by a majority of all the voters present and voting on the question at a meeting of ~~such~~ the municipal corporation held for ~~the~~ this purpose pursuant to chapter 53, subchapter 1 of this title notwithstanding any provisions of general or special law ~~which~~ that may require a greater vote, and may be so arranged that beginning with the first year in which principal is payable, the amount of principal and interest in any year shall be as nearly equal as is practicable according to the denomination in which ~~such~~ the bonds or other evidences of indebtedness are issued notwithstanding other permissible payment schedules authorized by section 1759 of this title.

~~§ 3614. BOARD OF SEWAGE DISPOSAL COMMISSIONERS~~

~~The selectboard of a town, the trustees of a village, the prudential committee of a fire or lighting district, or the mayor and board of aldermen of a city, shall constitute a board of sewage disposal commissioners.~~

§ ~~3615~~ 3616. RENTS; RATES

(a) ~~Such~~ A municipal corporation, through its board of sewage disposal commissioners, may establish rates, rents, or charges to be called "sewage disposal charges," to be paid at such times and in such manner as the commissioners board may prescribe. The commissioners board may establish annual charges separately for bond repayment, fixed operations and maintenance costs (~~not dependent on actual use~~), and variable operations and maintenance costs dependent on flow.

(b) ~~Such~~ The rates, rents, or charges may be based upon:

(1) the metered consumption of water on premises connected with the sewer system, however, the commissioners board may determine no user will be billed for fixed operations and maintenance costs and bond payment less than the average ~~single-family~~ single-family charge;

(2) the number of equivalent units connected with or served by the sewage system based upon their estimated flows compared to the estimated flows from a ~~single-family~~ single-family dwelling, however, the commissioners board may determine no user will be billed less than the minimum charge determined for the ~~single-family~~ single-family dwelling charge for fixed operations and maintenance costs and bond payment;

(3) the strength and flow where wastes stronger than household wastes are involved;

(4) the appraised value of premises, in the event that the commissioners shall determine the sewage disposal plant to be of general benefit to the municipality regardless of actual connection with the same;

(5) the commissioners' determination developed using any other equitable basis such as the number and kind of plumbing fixtures;₂ the number of persons residing on or frequenting the premises served by those sewers;₂ and the topography, size, type of use, or impervious area of any premises;

(6) for groundwater, surface, or stormwater an equivalent residential unit based on an average area of impervious surface on residential property within the municipality; or

(7) any combination of these bases, ~~so long as~~ provided the combination is equitable.

~~(b)~~(c) The basis for establishing ~~sewer disposal rates, rents, or charges~~ shall be reviewed annually by ~~sewage disposal commissioners~~ the board. No premises otherwise exempt from taxation, including premises owned by the State of Vermont, shall, by virtue of any ~~such~~ the exemption, be exempt from charges established ~~hereunder~~ under this section. The commissioners may change the rates ~~of such, rents, or charges~~ from time to time as may be reasonably required.

(d) Where one of the bases of ~~such~~ a rent, rate, or charge is the appraised value and the premises to be appraised are tax exempt, the ~~commissioners board~~ may cause the listers to appraise ~~such~~ the property, including State property, for the purpose of determining the ~~sewage disposal~~ the rates, rents, or charges. The right of appeal from ~~such~~ the appraisal shall be the same as provided in 32 V.S.A. chapter 131. The Commissioner of Finance and Management is authorized to issue ~~his or her~~ warrants for ~~sewage disposal rates, rents, or charges~~ against State property and transmit to the State Treasurer who shall draw a voucher in payment ~~thereof~~ of the rates, rents, or charges. No charge so established and no tax levied under the provisions of section ~~3613~~ 3615 of this title shall be considered to be a part of any tax authorized to be assessed by the legislative body of any municipality for general purposes, but shall be in addition to any such tax so authorized to be assessed.

(e) ~~Sewage disposal~~ Rates, rents, or charges established in accord with this section may be assessed by the board ~~of sewage disposal commissioners~~ as provided in section ~~3614~~ of this title to derive the revenue required to pay pollution charges assessed against a municipal corporation under 10 V.S.A. § ~~1265~~ 1263.

~~(e)~~(f) When a ~~sewage disposal rate, rent, or charge~~ established under this section for the management of stormwater is applied to property owned, controlled, or managed by the Agency of Transportation, the charge shall not exceed the highest rate category applicable to other properties in the municipality, and the Agency of Transportation shall receive a 35 percent credit on the charge. The Agency of Transportation shall receive no other credit on the charge from the municipal corporation.

§ ~~3616~~ 3617. DUTIES; USE OF PROCEEDS

(a) ~~Such sewage disposal commissioners shall have the supervision of such municipal sewage disposal department, and shall make and establish all needful rates for charges, rules, and regulations for its control and operation including the right to require any individual, person, or corporation to connect to such the municipal system for the purposes of abating pollution of the waters of the State. Such commissioners may appoint or remove a~~

~~superintendent at their pleasure.~~ The charges and receipts of ~~such~~ the department shall only be used and applied to pay the interest and principal of the sewage disposal bonds of ~~such~~ the municipal corporation ~~as well as,~~ the expense of maintenance and operation of the sewage ~~disposal department system,~~ or other expenses of the sewage system.

(b) ~~These~~ The charges and receipts also may be used to develop a dedicated fund that may be created by the ~~commissioners~~ board to finance major rehabilitation, major maintenance, and upgrade costs for the sewer system. This fund may be established by an annual set-aside of up to 15 percent of the normal operations, maintenance, and bond payment costs, except that with respect to subsurface leachfield systems, the annual set-aside may equal up to 100 percent of these costs. The fund shall not exceed the estimated future major rehabilitation, major maintenance, or upgrade costs for the sewer system. Any dedicated fund shall be insured at least to the level provided by FDIC and withdrawals shall be made only for the purposes for which the fund was established. Any ~~such~~ dedicated fund may be established and controlled in accord with section 2804 of this title or may be established by act of the legislative body of the municipality. Funds so established shall meet the requirements of subdivision 4756(a)(4) of this title.

(c) Where the municipal legislative body establishes ~~such~~ a dedicated fund pursuant to this section, it shall first adopt a municipal ordinance authorizing and controlling ~~such~~ the funds. ~~Such~~ The ordinance and any local policies governing the funds must conform to the requirements of this section.

(d) The charges, receipts, and revenue may also be used for stormwater management, control, and treatment; flood resiliency; floodplain restoration; and other similar measures.

§ ~~3617~~ 3618. ORDINANCES

~~Such~~ The municipal corporation shall have the power to make, establish, alter, amend, or repeal ordinances, regulations, and bylaws relating to the matters contained in this chapter, consistent with law, and to impose penalties for the breach ~~thereof, of an ordinance~~ and enforce ~~the same~~ those penalties.

§ 3619. SEWERS AND PLUMBING; ORDERS

The board may require the owners of buildings, subdivisions, or developments abutting on a public street or highway to have all sewers from those buildings, subdivisions, or developments connected to the municipal corporation's sewage system.

§ ~~3618~~ 3620. MEETINGS; VOTE

Any action taken by ~~such~~ a municipal corporation under the provisions of

this chapter or relating to the matters ~~therein set forth~~ contained in this chapter, may be taken by vote of the legislative body of ~~such~~ the municipal corporation, excepting the issuance of bonds and, in municipalities wherein ~~such~~ the legislative body is not otherwise given the power to levy taxes, the levying of a tax under section ~~3613~~ 3615 of this title; provided, however, that no action shall be taken hereunder unless the construction of a sewage disposal plant shall have first been authorized by majority vote of the legal voters of ~~such~~ the municipal corporation attending a meeting ~~duly warned and holden~~ warned for that purpose.

* * *

Sec. 14. 24 V.S.A. § 3679 is amended to read:

§ 3679. FINANCES—SEWER RATES; APPLICATION OF REVENUE

(a) The board of sewer commissioners of a consolidated sewer district shall establish rates for the sewer service and all individuals, firms, and corporations whether private, public, or municipal shall pay to the treasurer of the district the rates established by the board. The manner of establishment of the rates shall be in accord with section ~~3615~~ 3616 of this title. The rates shall be so established as to provide revenue for the following purposes:

* * *

Sec. 15. REPEAL

24 V.S.A. chapter 97 (sewage system) is repealed.

* * * Creation of the Urban Search and Rescue Team * * *

Sec. 16. 20 V.S.A. § 49 is added to read:

§ 49. URBAN SEARCH AND RESCUE TEAM

(a) The Department of Public Safety is authorized to create the Urban Search and Rescue (USAR) Team to provide for the rapid response of trained professionals to emergencies and other hazards occurring in the State. The Commissioner shall appoint a USAR Team program manager to carry out the duties and responsibilities of the USAR Team.

(b) The USAR Team program manager shall perform all the following duties:

(1) organize the State USAR Team to assist local first responders in response to emergencies and other hazards;

(2) hire persons for the USAR Team from fire, police, and emergency medical services and persons with specialty backgrounds in emergency response or search and rescue;

(3) coordinate the acquisition and maintenance of adequate vehicles and equipment for the USAR Team;

(4) ensure that USAR Team personnel are organized, trained, and exercised in accordance with the appropriate search and rescue standards or certifications;

(5) negotiate and enter into agreements with municipalities, municipal agencies that maintain swiftwater rescue teams, State-recognized swiftwater rescue teams, or other technical rescue teams to provide expert assistance and services to the USAR Team when necessary; and

(6) coordinate USAR Team participation in search and rescue operations under chapter 112 of this title.

(c) The Department of Public Safety may employ as many USAR Team responders as the Commissioner deems necessary as temporary State employees, who shall be compensated as such when authorized to respond to an emergency or hazard incident or to attend USAR Team training. State USAR Team responders, whenever acting as State agents in accordance with this section, shall be afforded all of the protections and immunities of State employees.

(d) An amount not less than \$750,000.00 shall be annually allocated to the Department of Public Safety to facilitate the operations of the USAR Team.

* * * Vermont-211 Information Privacy * * *

Sec. 17. PUBLIC RECORDS ACT; VERMONT 211; CONFIDENTIALITY

Pursuant to Vermont's Public Records Act, personal information and lists of names within records created or acquired by Vermont 211 shall be exempt from public inspection or copying. Vermont 211 shall keep confidential any personal information acquired from victims of a natural disaster or all-hazard, as defined by 20 V.S.A. § 2. This section shall not be construed to prevent the limited disclosure of personal information for the purposes of coordinating relief work for individuals affected by a natural disaster or all-hazard.

* * * Emergency Communications * * *

Sec. 18. PUBLIC NOTIFICATION POLICY DURING EMERGENCY

The Department of Public Safety's Division of Vermont Emergency Management (VEM), in consultation with the Enhanced 911 Board, shall develop a policy for the use of E-911 databases that maintain callback numbers of subscribers to provide VT-Alerts more effectively and expeditiously during emergencies in order to reduce the risk of harm to persons and property. The Division shall issue its policy on or before July 1, 2025.

Sec. 19. 30 V.S.A. § 7055 is amended to read:

§ 7055. TELECOMMUNICATIONS COMPANY ORIGINATING CARRIER COORDINATION

(a) ~~Every telecommunications company under the jurisdiction of the Public Utility Commission~~ originating carrier offering access to the public switched telephone network shall make available, in accordance with ~~rules adopted by the Public Utility Commission~~ requirements established by the Federal Communications Commission, the universal emergency telephone number 911 for use by the public in seeking assistance from fire, police, medical, and other emergency service providers through a public safety answering point and shall deliver their customers' 911 calls to the point of interconnection defined by the Board.

(b) ~~Every local exchange telecommunications provider~~ originating carrier shall provide the ANI and any other information required by rules adopted under section 7053 of this title to the Board, or to any administrator of ~~the Enhanced 911 database~~ databases, for purposes of maintaining the ~~Enhanced 911 database~~ databases and for all purposes outlined in section 7059 of this title. Each such provider shall be responsible for updating the information at a frequency specified by such rules. All persons receiving confidential information under this section, as defined by ~~the Public Utility Commission~~ section 7059 of this title, shall use it solely for the purposes of ~~providing emergency 911 services~~ specified in section 7059 of this title and shall not disclose such confidential information for any other purpose.

(c) ~~Each local exchange telecommunications company, cellular company, and mobile or personal communications service company~~ originating carrier providing services within the State shall designate a person to coordinate with and provide all relevant information to the Enhanced 911 Board ~~and Public Utility Commission~~ in carrying out the purposes of the chapter.

(d) ~~Wire line and nonwire cellular~~ Originating carriers certificated to provide service in the State shall provide ANI signaling which identifies geographical location as well as cell site address for cellular 911 calls. ~~Personal communications networks and any future mobile or personal communications systems~~ shall also be required to identify the location of the caller. ~~The telephone company~~ shall provide ANI signaling which identifies the name of the carrier and identify the type of service as cellular, mobile, or personal communications as part of the ALI along with a screen message that advises the call answerer to verify the location of the reported emergency. ~~Telecommunication providers of mobile wireless, IP-enabled, and other communication services which have systems with the capability to send data related to the location of the caller with the call or transmission instead of~~

~~relying on location data otherwise contained in the ALI database shall provide this data with calls or transmissions for the sole purpose of enabling the emergency 911 system to locate an individual seeking emergency services. Location data shall be provided in accordance with relevant national standards for next generation 9-1-1 technology available Automatic Number Identification (ANI) that can be used to query the Enhanced 911 Automatic Location Identification or third-party databases to provide the Automatic Location Identification that will include callback number, customer name, location, company or carrier identification, and class of service of the 911 caller. Originating carriers with the capability to provide location and caller data with the call shall do so in accordance with the approved i3 Standards for Next Generation 9-1-1.~~

(e) Each local exchange telecommunications provider in the State shall file with the Public Utility Commission tariffs for each service element necessary for the provision of Enhanced 911 services. The Public Utility Commission shall review each company's proposed tariff, and shall ensure that tariffs for each necessary basic service element are effective within six months ~~of~~ after filing. The Department of Public Service, by rule or emergency rule, may establish the basic service elements that each company must provide for in tariffs. Such tariffs must be filed with the Public Utility Commission within 60 days after the basic service elements are established by the Department of Public Service.

~~(f)(1) Every originating carrier shall, in accordance with rules adopted by the Enhanced 911 Board, notify its customers, the 911 system provider, and the Board, of planned or unplanned outages that impact customers' ability to complete a call to, or communicate with, 911 or that prevent subscribers from receiving emergency notifications.~~

~~(2) Notification of outages described in this subsection shall include, at a minimum, a posting of basic details regarding the outage on the originating carrier's website.~~

(g) As used in this section:

(1) "Originating carrier" or "originating service provider" means an entity that provides voice services to a subscriber and includes incumbent local exchange carriers operating in Vermont.

(2) "Incumbent local exchange carrier" has the same meaning as in 47 U.S.C. § 251(h) and includes rural local exchange carriers.

Sec. 20. ENHANCED 911 BOARD TARIFFS; REPORT; APPROPRIATION

(a) On or before January 15, 2025, the Enhanced 911 Board shall report to the House Committee on Government Operations and Military Affairs and the

Senate Committee on Government Operations on current local exchange telecommunications tariffs, and, in particular, evaluating existing tariffs permitted pursuant to 30 V.S.A. § 7055, determining actual costs for the provision of the service elements, and comparing those tariffs to similar cost recovery mechanisms in other States.

(b) The sum of \$25,000.00 is appropriated from the General Fund to the Enhanced 911 Board in fiscal year 2025 for the purpose of conducting the evaluation and producing the report.

* * * Language Assistance Services for State Emergency
Communications * * *

Sec. 21. 20 V.S.A. § 4 is added to read:

§ 4. LANGUAGE ASSISTANCE SERVICES FOR STATE EMERGENCY
COMMUNICATIONS

(a) If an all-hazards event occurs, the Vermont Emergency Management Division shall ensure that language assistance services are available for all State communications regarding the all-hazards event, including relevant press conferences and emergency alerts, in a timely manner. Language assistance services shall be provided for:

- (1) individuals who are Deaf, Hard of Hearing, and DeafBlind; and
- (2) individuals with limited English proficiency.

(b) As used in this section, an “individual with limited English proficiency” means a person who does not speak English as the person’s primary language and who has a limited ability to read, write, speak, or understand English.

(c) Annually, the Vermont Emergency Management Division shall hold a public meeting with members of the Vermont Deaf, Hard of Hearing, and DeafBlind Advisory Council; the Office of Racial Equity; the Vermont Association of Broadcasters; and other relevant stakeholders to review the adequacy and efficacy of the provision and distribution of language assistance services of emergency communications over mass communication platforms to individuals who are Deaf, Hard of Hearing, and DeafBlind as well as individuals with limited English language proficiency.

Sec. 22. EMERGENCY COMMUNICATIONS; APPROPRIATIONS

(a) The sum of \$15,000.00 is appropriated from the General Fund to the Department of Public Safety’s Division of Radio Technology Services in fiscal year 2025 for the purpose of creating new connections from select Vermont State Police Radio Transmission towers directly to the Primary and Secondary

State Relay radio stations listed in Vermont's Emergency Alert System Plan.

(b) The sum of \$25,000.00 is appropriated from the General Fund to the Department of Public Safety's Division of Emergency Management in fiscal year 2025 for the purpose of conducting a multi-media outreach campaign to increase the number of Vermonters registered with VT Alert and educate Vermonters on how to prepare for an emergency.

Sec. 23. LANGUAGE ASSISTANCE SERVICES FOR EMERGENCY COMMUNICATIONS WORKING GROUP; REPORT

(a) Creation. There is created the Language Assistance Services for Emergency Communications Working Group, consisting of staff at the Vermont Emergency Management (VEM) Division and the Office of Racial Equity, who will collaborate with the Vermont Association of Broadcasters; the Vermont Deaf, Hard of Hearing, and DeafBlind Advisory Council; and other relevant stakeholders.

(b) Duties. The Working Group shall develop best practices for the provision of language assistance services in emergency communications during and after all-hazard events, as defined in 2 V.S.A. § 2. The Working Group shall analyze and make recommendations on technologies for providing these services, including tools such as Communication Access Realtime Translation (CART) and Picture in Picture (PIP) techniques and automated language translation services or machine translation.

(c) Report. On or before December 15, 2024, the Working Group shall submit a written 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.

(d) Prospective repeal. The Working Group shall cease to exist on June 30, 2025.

* * * Post-Secondary Disaster Management Programs * * *

Sec. 24. POST-SECONDARY DISASTER MANAGEMENT PROGRAM REPORT

On or before February 15, 2025, the President or designee for the Vermont State University and the President or designee for the University of Vermont shall each submit a written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations examining the creation of post-secondary disaster management programs, including the associated costs, projected enrollments, and aspects of curricula.

* * * Emergency Powers of the Governor and Emergency Management * * *

Sec. 25. 20 V.S.A. § 1 is amended to read:

§ 1. PURPOSE AND POLICY

(a) Because of the increasing possibility of the occurrence of disasters or emergencies of unprecedented size and destructiveness resulting from all-hazards and in order to ensure that preparation of this State will be adequate to deal with such disasters or emergencies; to provide for the common defense; to protect the public peace, health, and safety; and to preserve the lives and property of the people of the State, it is found and declared to be necessary:

(1) to create a State emergency management agency, and to authorize the creation of local and regional organizations for emergency management;

(2) to confer upon the Governor and upon the executive heads or legislative branches of the towns and cities of the State the emergency powers provided pursuant to this chapter;

(3) to provide for the rendering of mutual aid among the towns and cities of the State; with other states and Canada; and with the federal government with respect to the carrying out of emergency management functions; and

(4) to authorize the establishment of organizations and ~~the taking of steps as necessary and appropriate~~ to carry out the provisions of this chapter as necessary and appropriate.

* * *

Sec. 26. 20 V.S.A. § 8 is amended to read:

§ 8. GENERAL POWERS OF GOVERNOR

* * *

(b) In performing the duties under this chapter, the Governor is further authorized and empowered:

* * *

(3) Inventories, training, mobilization. In accordance with the plan and program for the emergency management of the State:

(A) to ascertain the requirements of the State or the municipalities for food ~~or~~, water, fuel, clothing, or other necessities of life in any all-hazards event and to plan for and procure supplies, medicines, materials, and equipment for the purposes set forth in this chapter;

* * *

(C) to institute training programs and public information programs, and to take all other preparatory steps, including the partial or full mobilization of emergency management organizations in advance of actual disaster, to ensure the furnishing of adequately trained and equipped forces of first responders and other emergency management personnel in time of need.

* * *

(8) Mutual aid agreements with other states. On behalf of this State, to enter into reciprocal aid agreements under this chapter and pursuant to compacts with other states and the federal government or a province of a foreign country under such terms as the Congress of the United States may prescribe. These mutual aid arrangements shall be limited to the furnishing or exchange of food, water, fuel, clothing, medicine, and other supplies; engineering services; emergency housing; police services; National Guard or ~~State Guard~~ units while under the control of the State; health; medical and related services; fire fighting, rescue, transportation, and construction services and equipment; personnel necessary to provide or conduct these services; and other supplies, equipment, facilities, personnel, and services as needed; and the reimbursement of costs and expenses for equipment, supplies, personnel, and similar items for mobile support units, ~~fire fighting~~ firefighting, and police units and health units. The mutual aid agreements shall be made on such terms and conditions as the Governor deems necessary.

* * *

Sec. 27. 20 V.S.A. § 9 is amended to read:

§ 9. EMERGENCY POWERS OF GOVERNOR

Subject to the provisions of this chapter, in the event of an all-hazards event in or directed upon the United States or Canada that causes or may cause substantial damage or injury to persons or property within the State in any manner, the Governor may ~~proclaim~~ declare a state of emergency within the entire State or any portion or portions of the State. Thereafter, the Governor shall have and may exercise for as long as the Governor determines the emergency to exist the following additional powers within such area or areas:

(1) To enforce all laws and rules relating to emergency management and to assume direct operational control of all first responders, other emergency management personnel, and ~~helpers~~ volunteers in the affected area or areas.

* * *

Sec. 28. 20 V.S.A. § 11 is amended to read:

§ 11. ADDITIONAL EMERGENCY POWERS

In the event of an all-hazards event, the Governor may exercise any or all of the following additional powers:

(1) To authorize any department or agency of the State to lease or lend, on such terms and conditions and for ~~such a period as he or she deems necessary~~ related to the declaration of emergency to promote the public welfare and protect the interests of the State, any real or personal property of the State government, ~~or authorize the temporary transfer or employment of personnel of the State government to or by the U.S. Armed Forces.~~

(2) To enter into a contract on behalf of the State for the lease or loan, on such terms and conditions and for such period as ~~he or she~~ the Governor deems necessary to promote the public welfare and protect the interests of the State, of any real or personal property of the State government, or the temporary transfer or employment of personnel thereof to any town or city of the State. ~~The chief executive or, the chair or president of the legislative branch, or the emergency management director~~ of the town or city is authorized for and in the name of the town or city to enter into the contract with the Governor for the leasing or lending of the property and personnel, and the chief executive or, the chair or president of the legislative branch, or the emergency management director of the town or city may equip, maintain, utilize, and operate such property except ~~newspapers and other publications~~ news outlets, radio stations, places of worship and assembly, and other facilities for the exercise of constitutional freedom, and employ necessary personnel in accordance with the purposes for which such contract is executed; ~~and may do all things and perform all acts necessary to effectuate the purpose for which the contract was entered into.~~

* * *

(5) To make compensation for the property seized, taken, or condemned on the following basis:

(A) ~~In case Whenever the Governor deems it advisable for the State to take property is taken for temporary use or to take property permanently,~~ the Governor, at the time of the taking, shall fix the amount of compensation to be paid for the property, ~~and in.~~ In case the property is taken for temporary use and returned to the owner in a damaged condition or shall not be returned to the owner, the Governor shall fix the amount of compensation to be paid for the damage ~~or failure to return.~~

(B) Whenever the Governor deems it advisable for the State to temporarily or permanently take title to property taken under this section, the Governor shall ~~forthwith cause notify~~ notify the owner of the property ~~to be notified~~ of the taking in writing by registered mail or in person, ~~postage prepaid,~~ and ~~forthwith cause to be filed~~ shall file a copy of the notice with the Secretary of State.

~~(B)~~(C) Any owner of property of which possession has been either temporarily or permanently taken under the provisions of this chapter to whom no award has been made or who is dissatisfied with the amount awarded ~~him or her~~ by the Governor may file a petition in the Superior Court within the county wherein the property was situated at the time of taking to have the amount to which ~~he or she~~ the owner is entitled by way of damages or compensation determined, and either the petitioner or the State shall have the right to have the amount of such damages or compensation fixed after hearing by three disinterested appraisers appointed by the court, and who shall operate under substantive and administrative procedure to be established by the Superior judges. If the ~~petitioner~~ owner of the property is dissatisfied with the award of the appraisers, ~~he or she~~ the owner may appeal the award to the Superior Court and thereafter have a trial by jury to determine the amount of the damages or compensation. The court costs of a proceeding brought under this section by the owner of the property shall be paid by the State, and the fees and expenses of any attorney for the owner shall also be paid by the State after allowances by the court in which the petition is brought in an amount determined by the court. The statute of limitations shall not apply to proceedings brought by owners of property under this section for and during the time that any court having jurisdiction over the proceedings is prevented from holding its usual and stated sessions due to conditions resulting from emergencies described in this chapter.

~~(6) To perform and exercise other functions, powers, and duties as necessary to promote and secure the safety and protection of the civilian population. [Repealed.]~~

Sec. 29. 20 V.S.A. § 13 is amended to read:

§ 13. TERMINATION OF EMERGENCIES

The Governor:

(1) May terminate by ~~proclamation~~ declaration the emergencies provided for in sections 9 and 11 of this title; provided, however, that no emergencies shall be terminated prior to the termination of such emergency as provided in federal law.

(2) May declare the state of emergency terminated in any area affected by an all-hazards event.

(3) Upon receiving notice that a majority of the legislative body of a municipality affected by a natural disaster no longer desires that the state of emergency continue within its municipality, ~~shall~~ may declare the state of emergency terminated within that particular municipality. Upon the termination of the state of emergency, the functions as set forth in section 9 of this title shall cease, and the local authorities shall resume control.

Sec. 30. 20 V.S.A. § 17 is amended to read:

§ 17. GIFT, GRANT, OR LOAN

(a) Federal. Whenever the federal government or any agency or officer of the federal government offers to the State, or through the State to any town or city within Vermont, services, equipment, supplies, materials, or funds by way of gift, grant, or loan for purposes of emergency management, the State, acting through the Governor in coordination with the Department of Public Safety, or such town or city acting with the consent of the Governor and through its executive officer or legislative branch, may accept the offer, ~~and upon~~ in accordance with the provisions of 32 V.S.A. § 5. Upon such acceptance, the Governor or the executive officer or legislative branch of the political subdivision may authorize any officer of the State or of the political subdivision, as the case may be, to receive the services, equipment, supplies, materials, or funds on behalf of the State or the political subdivisions, and subject to the terms of the offer and rules, if any, of the agency making the offer. Whenever a federal grant is contingent upon a State or local contribution, or both, the Department of Public Safety and the political subdivision shall determine whether the grant shall be accepted and, if accepted, the respective shares to be contributed by the State and town or city concerned.

(b) Private. Whenever any person, firm, or corporation offers to the State or to any town or city in Vermont services, equipment, supplies, materials, or funds by way of gift, grant, or loan, for purposes of emergency management, the State, acting through the Governor, or the political subdivision, acting through its executive officer or legislative branch, may accept the offer, ~~and upon~~ in accordance with the provisions of 32 V.S.A. § 5. Upon such acceptance, the Governor or executive officer or legislative branch of the political subdivision may authorize any officer of the State or the political subdivision, as the case may be, to receive the services, equipment, supplies, materials, or funds on behalf of the State or the political subdivision, and subject to the terms of the offer.

Sec. 31. 20 V.S.A. § 26 is amended to read:

§ 26. CHANGE OF VENUE BECAUSE OF ~~ENEMY ATTACK~~ AN ALL-HAZARDS EVENT

In the event that the place where a civil action or a criminal prosecution is required by law to be brought has become and remains unsafe because of an attack upon the United States or Canada or an all-hazards event, such action or prosecution may be brought in or, if already pending, may be transferred to the Superior Court in an unaffected unit and there tried in the place provided by law for such court.

Sec. 32. 20 V.S.A. § 30 is amended to read:

§ 30. STATE EMERGENCY RESPONSE COMMISSION; CREATION

(a) The State Emergency Response Commission is created within the Department of Public Safety. The Commission shall consist of ~~17~~18 members: eight ex officio members, including the Commissioner of Public Safety, the Secretary of Natural Resources, the Secretary of Transportation, the Commissioner of Health, the Secretary of Agriculture, Food and Markets, the Commissioner of Labor, the Director of Fire Safety, and the Director of Emergency Management, or designees; and ~~nine~~ ten public members, including a representative from each of the following: local government, the local emergency planning committee, a regional planning commission, the fire service, law enforcement, public works, emergency medical service, a hospital, a transportation entity required under EPCRA to report chemicals to the State Emergency Response Commission, and another entity required to report extremely hazardous substances under EPCRA.

(b) The ~~nine~~ ten public members shall be appointed by ~~the Governor~~ for staggered three-year terms as described in this subsection.

(1) Three public members, appointed by the Speaker of the House.

(2) Three public members, appointed by the President Pro Tempore of the Senate.

(3) Four public members, appointed by the Governor.

(4) When the seat of a public member is vacated, the replacement member shall be appointed on a rotating basis starting with the Speaker of the House, with the next appointment to be made by the President Pro Tempore of the Senate, and then the next appointment to be made by the Governor, and then beginning again.

(c) The Governor shall appoint the Chair of the Commission.

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

Sec. 33. 20 V.S.A. § 34 is amended to read:

§ 34. TEMPORARY HOUSING FOR DISASTER VICTIMS

(a) Whenever the Governor ~~has proclaimed a disaster~~ declares an emergency under the laws of this State, or the President has declared an emergency or ~~a major disaster~~ an all-hazards event to exist in this State, the Governor is authorized:

(1) To enter into purchase, lease, or other arrangements with any agency of the United States for temporary housing units to be occupied by disaster victims and to make such units available to any political subdivision of the State.

(2) To assist any political subdivision of this State that is the locus of temporary housing for disaster victims to acquire sites necessary for the temporary housing and ~~to do all things required~~ to prepare the site to receive and utilize temporary housing units by:

(A) advancing or lending funds available to the Governor from any appropriation made by the General Assembly or from any other source;₂

(B) “passing through” funds made available by any agency, public or private;₂ or

(C) becoming a co-partner with the political subdivision for the execution and performance of any temporary housing for disaster victims project and for such purposes to pledge the credit of the State on such terms as the Governor deems appropriate having due regard for current debt transactions of the State.

~~(b) Under rules adopted by the Governor, to~~ During a declared state of emergency, the Governor may, by order or rule, temporarily suspend or modify for not more than 60 days any law or rule pertaining to public health, safety, zoning, or transportation (within or across the State), or other requirement of law or rules within Vermont when by proclamation if, the Governor deems the suspension or modification essential to provide temporary housing for disaster victims.

(c) Any political subdivision of this State is expressly authorized to acquire, temporarily or permanently, by purchase, lease, or otherwise, sites required for installation of temporary housing units for disaster victims, and to enter into whatever arrangements are necessary to prepare or equip such sites to utilize the housing units, including the purchase of temporary housing units and payment of transportation charges.

~~(d) The Governor is authorized to adopt rules as necessary to carry out the purposes of this chapter. [Repealed.]~~

(e) Nothing in this chapter shall be construed to limit the Governor’s authority to apply for, administer, and expend any grants, gifts, or payments in aid of disaster prevention, preparedness, response, or recovery.

~~(f) As used in this chapter, “major disaster,” “emergency,” and “temporary housing” have the same meaning as in the Disaster Relief Act of 1974, P.L. 93-288. [Repealed.]~~

Sec. 34. 20 V.S.A. § 39 is amended to read:

§ 39. FEES TO THE HAZARDOUS SUBSTANCES FUND

(a) Every person required to report the use or storage of hazardous chemicals or substances pursuant to EPCRA shall pay the following annual fees for each hazardous chemical or substance, as defined by the State Emergency Response Commission, that is present at the facility:

- (1) \$40.00 for quantities between 100 and 999 pounds.
- (2) \$60.00 for quantities between 1,000 and 9,999 pounds.
- (3) \$100.00 for quantities between 10,000 and 99,999 pounds.
- (4) \$290.00 for quantities between 100,000 and 999,999 pounds.
- (5) \$880.00 for quantities exceeding 999,999 pounds.

(6) An additional fee of \$250.00 will be assessed for each extremely hazardous chemical or substance as defined in 42 U.S.C. § 11002.

(b) The fee shall be paid to the Commissioner of Public Safety and shall be deposited into the Hazardous Chemical and Substance Emergency Response Fund.

(c) The following are exempted from paying the fees required by this section but shall comply with the reporting requirements of this chapter:

- (1) municipalities and other political subdivisions;
- (2) State agencies;
- (3) persons engaged in farming as defined in 10 V.S.A. § 6001; and
- (4) nonprofit corporations.

(d) No person shall be required to pay a fee for a chemical or substance that has been determined to be an economic poison as defined in 6 V.S.A. § 911 or for a fertilizer or agricultural lime as defined in 6 V.S.A. § 363 and for which a registration or tonnage fee has been paid to the Agency of Agriculture, Food and Markets pursuant to 6 V.S.A. chapter 28 or 81.

(e) The State or any political subdivision, including any municipality, fire district, emergency medical service, or incorporated village, is authorized to recover any and all reasonable direct expenses incurred as a result of the response to and recovery of a hazardous chemical or substance incident from the person or persons responsible for the incident. All funds collected by the State under this subsection shall be deposited into the Hazardous Chemical and Substance Emergency Response Fund created pursuant to subsection 38(b) of this chapter. The Attorney General shall act on behalf of the State to recover

these expenses. The State or political subdivision shall be awarded costs and reasonable attorney's fees that are incurred as a result of exercising the provisions of this subsection.

(f)(1) The Department of Public Safety shall have authority to inspect the premises and records of any employer to ensure compliance with the provisions of this chapter and the rules adopted under this chapter.

(2) A person who violates any provision of this chapter or any rule adopted under this chapter shall be fined not more than \$1,000.00 for each violation. Each day a violation continues shall be deemed to be a separate violation.

(3) The Attorney General may bring an action for injunctive relief in the Superior Court of the county in which a violation occurs to compel compliance with the provisions of this chapter.

Sec. 35. REPEAL

20 V.S.A. § 40 (enforcement) is repealed.

* * * Continuing Local Economic Damage Grant Program and Emergency Relief and Assistance Fund * * *

Sec. 36. CONTINUING LOCAL ECONOMIC DAMAGE GRANT PROGRAM FOR RECOVERY FROM THE AUGUST AND DECEMBER 2023 FLOODS; APPROPRIATION

(a) Program established. There is established the Continuing Local Economic Damage Grant Program to provide support to municipalities that were impacted by the August 2023 or December 2023 flooding events, or both, and are located in counties that are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declarations. It is the intent of the General Assembly that the Continuing Local Economic Damage Grants be distributed to municipalities throughout the State to address the secondary economic impacts of the August and December 2023 flooding events.

(b) Appropriation. In fiscal year 2025, the amount of \$200,000.00 is appropriated from the General Fund to the Agency of Administration for the Continuing Local Economic Damage Grant Program.

(c) Administration; grant awards. The Agency of Administration shall administer the Program, which shall award grants in the following manner:

(1) \$75,000.00 to each municipality that as of March 1, 2024 had \$5,000,000.00 or more in estimated reported damages to public infrastructure relating to the August 2023 or December 2023 flooding events, or both;

(2) \$50,000.00 to each municipality that as of March 1, 2024 had \$2,000,000.00 or more but less than \$5,000,000.00 in estimated reported damages to public infrastructure relating to the August 2023 or December 2023 flooding events, or both;

(3) \$30,000.00 to each municipality that as of March 1, 2024 had \$1,000,000.00 or more but less than \$2,000,000.00 in estimated reported damages to public infrastructure relating to the August 2023 or December 2023 flooding events, or both;

(4) \$20,000.00 to each municipality that as of March 1, 2024 had \$250,000.00 or more but less than \$1,000,000.00 in estimated reported damages to public infrastructure relating to the August 2023 or December 2023 flooding events, or both; and

(5) \$10,000.00 to each municipality that as of March 1, 2024 had \$100,000.00 or more but less than \$250,000.00 in estimated reported damages to public infrastructure relating to the August 2023 or December 2023 flooding events, or both

(d) Restrictions on recipients' use of grant funds. Monies from grants awarded through the Program shall not be expended by the recipient on FEMA-related projects.

(e) To the extent that the funds appropriated in subsection (b) of this section have not been granted by June 30, 2025, the funds shall revert to the General Fund and be transferred to the Emergency Relief and Assistance Fund (21555).

Sec. 37. EMERGENCY RELIEF AND ASSISTANCE FUND

FOR RECOVERY FROM THE AUGUST AND DECEMBER 2023 FLOODS; TRANSFER

(a) Notwithstanding any other provisions of law to the contrary, \$830,000.00 shall be transferred from the General Fund to the Emergency Relief and Assistance Fund (21555).

(b) Notwithstanding Sec. 1.4.3 of the Rules for State Matching Funds Under the Federal Public Assistance Program, in fiscal year 2025, the Secretary of Administration may provide funding from the Emergency Relief and Assistance Fund that was transferred pursuant to subsection (a) of this section to subgrantees prior to the completion of a project. In fiscal year 2025, up to 70 percent of the State funding match on the nonfederal share of an approved project for municipalities that were impacted by the August and December 2023 flooding events in counties that are eligible for Federal Emergency Management Agency Public Assistance funds under federal disaster declarations may be advanced at the request of a municipality.

(c) Notwithstanding Sec. 1.4.1 of the Rules for State Matching Funds Under the Federal Public Assistance Program, the Secretary of Administration shall increase the standard State funding match on the nonfederal share of an approved project to the highest percentage possible given available funding for municipalities in counties that were impacted by the August and December 2023 flooding events and are eligible for Federal Emergency Management Agency Public Assistance funds under federal disaster declarations.

* * * Effective Dates * * *

Sec. 38. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that Sec. 21 (20 V.S.A. § 4) shall take effect on July 1, 2025.

And that when so amended the bill ought to pass.

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Government Operations with the following amendment thereto:

By striking out Sec. 19, 30 V.S.A. § 7055, in its entirety and inserting in lieu thereof a new Sec. 19 to read as follows:

Sec. 19. [Deleted.]

And that when so amended the bill ought to pass.

Senator Perchlik, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Government Operations with the following amendments thereto:

First: In Sec. 2, 20 V.S.A. § 49, in subsection (b), after “The Fund shall consist of monies appropriated”, by adding or transferred

Second: By striking out Sec. 3, Community Resilience and Disaster Mitigation Grant Program; appropriation, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. [Deleted.]

Third: By striking out Sec. 12, establishment of five and a half new regional emergency management program coordinators; appropriation, in its entirety and inserting in lieu thereof a new Sec. 12 to read as follows:

Sec. 12. [Deleted.]

Fourth: By striking out Sec. 16, 20 V.S.A. § 49, in its entirety and inserting in lieu thereof a new Sec. 16 to read as follows:

Sec. 16. 20 V.S.A. § 50 is added to read:

§ 50. URBAN SEARCH AND RESCUE TEAM

(a) The Department of Public Safety is authorized to create the Urban Search and Rescue (USAR) Team to provide for the rapid response of trained professionals to emergencies and other hazards occurring in the State. The Commissioner shall appoint a USAR Team program manager to carry out the duties and responsibilities of the USAR Team.

(b) The USAR Team program manager shall perform all the following duties:

(1) organize the State USAR Team to assist local first responders in response to emergencies and other hazards;

(2) hire persons for the USAR Team from fire, police, and emergency medical services and persons with specialty backgrounds in emergency response or search and rescue;

(3) coordinate the acquisition and maintenance of adequate vehicles and equipment for the USAR Team;

(4) ensure that USAR Team personnel are organized, trained, and exercised in accordance with the appropriate search and rescue standards or certifications;

(5) negotiate and enter into agreements with municipalities, municipal agencies that maintain swiftwater rescue teams, State-recognized swiftwater rescue teams, or other technical rescue teams to provide expert assistance and services to the USAR Team when necessary; and

(6) coordinate USAR Team participation in search and rescue operations under chapter 112 of this title.

(c) The Department of Public Safety may employ as many USAR Team responders as the Commissioner deems necessary as temporary State employees, who shall be compensated as such when authorized to respond to an emergency or hazard incident or to attend USAR Team training. State USAR Team responders, whenever acting as State agents in accordance with this section, shall be afforded all of the protections and immunities of State employees.

Fifth: By striking out Sec. 20, Enhanced 911 Board tariffs; report; appropriation, in its entirety and inserting in lieu thereof a new Sec. 20 to read as follows:

Sec. 20. ENHANCED 911 BOARD TARIFFS; REPORT

On or before January 15, 2025, the Enhanced 911 Board shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations on current local exchange telecommunications tariffs, and, in particular, evaluating existing tariffs permitted pursuant to 30 V.S.A. § 7055, determining actual costs for the provision of the service elements, and comparing those tariffs to similar cost recovery mechanisms in other states.

Sixth: By striking out Sec. 22, emergency communications; appropriations, in its entirety and inserting in lieu thereof a new Sec. 22 to read as follows:

Sec. 22. [Deleted.]

Seventh: By striking out Sec. 36, Continuing Local Economic Damage Grant Program for recovery from the August and December 2023 floods; appropriation, in its entirety and inserting in lieu thereof a new Sec. 36 to read as follows:

Sec. 36. [Deleted.]

Eighth: By striking out Sec. 37, Emergency Relief and Assistance Fund for recovery from the August and December 2023 floods; transfer, in its entirety and inserting in lieu thereof a new Sec. 37 to read as follows:

Sec. 37. [Deleted.]

And that when so amended, the bill ought to pass.

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

Thereupon, pending the question, Shall the recommendation of amendment by the Committee on Government Operations, as amended, be amended as recommended by the Committee on Finance?, Senators Hardy, Clarkson, Vyhovsky, Watson and White moved to substitute a recommendation of amendment for the recommendation of amendment of the Committee on Finance, as follows:

First: In Sec. 6, 20 V.S.A. chapter 181, in section 3173, monetary benefit, in subsection (a), after “for a payment of \$50,000.00”, by striking out the words “up to”

Second: In Sec. 11, Vermont Emergency Management Division disaster preparedness review, in subsection (a), after “On or before June 30,” by striking out “2024” and inserting in lieu thereof 2025

Third: By striking out Sec. 19, 30 V.S.A. § 7055, in its entirety and inserting in lieu thereof a new Sec. 19 to read as follows:

Sec. 19. 30 V.S.A. § 7055 is amended to read:

§ 7055. ~~TELECOMMUNICATIONS COMPANY~~ ORIGINATING
CARRIER COORDINATION

(a) Every ~~telecommunications company under the jurisdiction of the Public Utility Commission~~ originating carrier offering access to the public switched telephone network shall make available, in accordance with ~~rules adopted by the Public Utility Commission~~ requirements established by the Federal Communications Commission, the universal emergency telephone number 911 for use by the public in seeking assistance from fire, police, medical, and other emergency service providers through a public safety answering point and shall deliver their customers’ 911 calls to the point of interconnection defined by the Board.

(b) Every ~~local exchange telecommunications provider~~ originating carrier shall provide the ANI, if applicable, and any other information required by rules adopted under section 7053 of this title to the Board, or to any administrator of the ~~Enhanced 911 database~~ databases, solely for purposes of maintaining the Enhanced 911 database databases and for purposes outlined in subdivisions 7059(a)(1)(B) and (D) of this title, unless such information is provided by submission to the Vermont 911 ALI database, in which case the information may also be used for the purposes outlined in subdivision 7059(a)(1)(A) of this title. Each such provider shall be responsible for updating the information at a frequency specified by such rules. All persons receiving confidential information under this ~~section~~ subsection, as defined by the ~~Public Utility Commission~~ section 7059 of this title, shall use it solely for the purposes of ~~providing emergency 911 services, specified in subdivision 7059(a)(1) of this title~~ and shall not disclose such confidential information for any other purpose.

(c) Each ~~local exchange telecommunications company, cellular company, and mobile or personal communications service company~~ originating carrier providing services within the State shall designate a person to coordinate with and provide all relevant information to the Enhanced 911 Board and Public Utility Commission in carrying out the purposes of the chapter.

(d) ~~Wire line and nonwire cellular~~ Originating carriers certificated to provide service in the State shall ~~provide ANI signaling which identifies~~

~~geographical location as well as cell site address for cellular 911 calls. Personal communications networks and any future mobile or personal communications systems shall also be required to identify the location of the caller. The telephone company shall provide ANI signaling which identifies the name of the carrier and identify the type of service as cellular, mobile, or personal communications as part of the ALI along with a screen message that advises the call answerer to verify the location of the reported emergency. Telecommunication providers of mobile wireless, IP-enabled, and other communication services which have systems with the capability to send data related to the location of the caller with the call or transmission instead of relying on location data otherwise contained in the ALI database shall provide this data with calls or transmissions for the sole purpose of enabling the emergency 911 system to locate an individual seeking emergency services. Location data shall be provided in accordance with relevant national standards for next generation 9-1-1 technology transmit with each 911 call available Automatic Number Identification (ANI) or pseudo-ANI (p-ANI) that can be used to query the Enhanced 911 third-party databases to provide the Automatic Location Identification as defined by standards approved by National Emergency Number Association (NENA). Originating carriers with the capability to provide location and caller data with the call shall do so in accordance with the approved i3 Standards for Next Generation 9-1-1.~~

(e) Each local exchange telecommunications provider in the State shall file with the Public Utility Commission tariffs for each service element necessary for the provision of Enhanced 911 services. The Public Utility Commission shall review each company's proposed tariff, and shall ensure that tariffs for each necessary basic service element are effective within six months of after filing. The Department of Public Service, by rule or emergency rule, may establish the basic service elements that each company must provide for in tariffs. Such tariffs must be filed with the Public Utility Commission within 60 days after the basic service elements are established by the Department of Public Service.

(f)(1) Every originating carrier shall, in accordance with rules adopted by the Enhanced 911 Board, notify its customers, the 911 system provider, and the Board of planned or unplanned outages that impact customers' ability to complete a call to, or communicate with, 911 or that prevent subscribers from receiving emergency notifications.

(2) Notification of outages described in this subsection shall include, at a minimum, a posting of basic details regarding the outage on the originating carrier's website.

(g) As used in this section:

(1) “Incumbent local exchange carrier” has the same meaning as in 47 U.S.C. § 251(h) and includes rural local exchange carriers.

(2) “Originating carrier” or “originating service provider” means an entity that provides voice services to a subscriber and includes incumbent local exchange carriers operating in Vermont.

Thereupon, pending the question? Shall the recommendation of amendment of the Committee on Finance be substituted as offered by Senators Hardy, Clarkson, Vyhovsky, Watson and White?, the Senate adjourned.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, MARCH 29, 2024

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

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.

James Ashley Carr of Montpelier
Burke Donovan of St. Johnsbury
Willa Kaeck of New Haven
Emerson Morrill of Vergennes
Elladaye Orr of Fayston
Guinevere Velto of Springfield

Bill Referred to Committee on Finance

H. 247.

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

An act relating to Vermont's adoption of the Occupational Therapy Licensure Compact.

Bills Passed

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

S. 181. An act relating to the Community Media Public Benefit Fund.

S. 195. An act relating to how a defendant's criminal record is considered in imposing conditions of release.

S. 253. An act relating to building energy codes.

Consideration Resumed; Bill Amended; Third Reading Ordered**S. 310.**

Consideration was resumed on Senate bill entitled:

An act relating to natural disaster government response, recovery, and resiliency.

Thereupon, pending the question, Shall the recommendation of amendment of the Committee on Finance be substituted as offered by Senators Hardy, Clarkson, Vyhovsky, Watson and White?, Senator Hardy requested and was granted leave to withdraw the substitute recommendation of amendment.

Thereupon, the pending question, Shall the recommendation of amendment of the Committee on Government Operations, as amended, be further amended by the Committee on Finance?, was agreed to.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, was agreed to and third reading of the bill was ordered.

Bill Amended; Third Reading Ordered**S. 301.**

Senate committee bill entitled:

An act relating to miscellaneous agricultural subjects.

Having appeared on the Calendar for notice for one day, was taken up.

Senator Wrenner, for the Committee on Agriculture, to which the bill was referred, reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Agricultural Water Quality * * *

Sec. 1. 6 V.S.A. § 4831 is amended to read:

§ 4831. VERMONT SEEDING AND FILTER STRIP PROGRAM

(a) The Secretary of Agriculture, Food and Markets is authorized to develop a Vermont Critical Source Area Seeding and Filter Strip Program in addition to the federal Conservation Reserve Enhancement Program in order to compensate farmers for establishing and maintaining harvestable perennial vegetative grassed waterways and filter strips on agricultural cropland perpendicular and adjacent to the surface waters of the State, including ditches. Eligible acreage ~~would include~~ includes annually tilled cropland or a portion of cropland currently cropped as hay ~~that will not be rotated into an annual crop for a 10-year period of time~~. Acreage that is currently managed as hay shall have a prior history of rotation as corn or other annual commodity crop.

(b) Incentive payments from the Agency of Agriculture, Food and Markets shall be made at the outset of a ~~10-year~~ grant agreement to establish or maintain the acreage as harvestable grassed waterway or filter strip.

(c) The Secretary of Agriculture, Food and Markets may establish by procedure financial and technical criteria for the implementation and operation of the Vermont Critical Source Area Seeding and Filter Strip Program.

(d) Land enrolled in the Vermont agricultural buffer program shall be considered to be in "active use" as that term is defined in 32 V.S.A. § 3752(15).

* * * Agricultural Warehouses * * *

Sec. 2. 6 V.S.A. chapter 67 is amended to read:

CHAPTER 67. PUBLIC WAREHOUSES THAT STORE FARM PRODUCTS

§ 891. LICENSE

Excepting frozen food locker plants, any person, as defined in 9A V.S.A. §§ 1-201 and 7-102, who stores ~~milk, cream, butter, cheese, eggs, meat, poultry, and fruit~~ eggs, as that term is defined in chapter 27 of this title, or produce, as that term is defined in section 851 of this title, for hire in quantities of 1,000 pounds or more ~~of any commodity~~ shall first be licensed by the Secretary of Agriculture, Food and Markets. Each separate place of business shall be licensed.

§ 892. REQUIREMENTS

Before licensing ~~such places~~ a place of business under this chapter, the Secretary of Agriculture, Food and Markets shall ~~satisfy himself or herself~~ be satisfied as to the condition of the building, sanitation, refrigeration, and the general safety of the stored goods under the rules and requirements that ~~he or she~~ the Secretary may deem proper.

§ 893. APPLICATION FORMS; FEE

The Secretary of Agriculture, Food and Markets shall furnish necessary application forms. The annual license date shall be ~~April 1~~ January 1. The annual license fee shall be \$125.00.

Sec. 3. 6 V.S.A. § 2672(5) is amended to read:

(5) “Milk handler” or “handler” is a person, firm, unincorporated association, or corporation engaged in the business of buying, selling, assembling, packaging, storing, or processing milk or other dairy products for sale within the State of Vermont or outside the State. “Milk handler” or “handler” does not mean a milk producer.

Sec. 4. 6 V.S.A. § 2721 is amended to read:

§ 2721. HANDLERS’ LICENSES

(a) The Secretary may classify and issue licenses to milk handlers to carry on dairy product handling businesses, including the purchase, distribution, storage, or sale of milk or milk products, processing or manufacturing of milk or milk products, including the pasteurization of frozen dessert mixes, transport of milk and milk products, bargaining and collecting for the sale of milk and milk products, and dealing in or brokering milk or milk products.

(b) A milk handler shall not transact business in the State unless the milk handler secures and holds a handler’s license from the Secretary. The license shall terminate September 1 each year and shall be procured by August 15 of each year. The Secretary shall furnish all forms for applications, licenses, and bonds. At the time the application is delivered to the Secretary, the milk handler shall pay a license application fee of \$50.00 for an initial application and a license fee based on the following table. For a renewal application, only the fee in the table applies. Out-of-state firms shall use the company’s highest total pounds of milk or dairy products bought, sold, packaged, assembled, transported, stored, or processed per production day.

Pounds of milk or dairy products bought, sold, packaged, assembled, transported, <u>stored</u> , or processed per production day:	License handling fee
500 pounds or less	\$ 60.00
Over 500 but less than 10,000 pounds	\$ 200.00
10,000 to 50,000 pounds	\$ 350.00
Over 50,000 but less than 100,000 pounds	\$ 750.00
100,000 to 500,000 pounds	\$1,000.00

Over 500,000 pounds	\$1,500.00
Processor fee per pasteurizer	\$ 75.00

(c) Notwithstanding subsection (b) of this section, the license handling fees only for the transportation of bulk milk shall be capped at \$750.00 per year, and the license handling fees for milk producers who exclusively transport their own bulk milk shall be capped at \$25.00 per year.

Sec. 5. 6 V.S.A. § 3302(36) is amended to read:

(36) “Public ~~warehouseman~~ warehouse operator” means any person who acts as a temporary custodian of meat, meat food product, or poultry product stored in that person’s warehouse for a fee.

Sec. 6. 6 V.S.A. § 3306 is amended to read:

§ 3306. LICENSING

(a) No person shall engage in intrastate commerce in the business of buying, selling, preparing, processing, packing, storing, transporting, or otherwise handling meat, meat food products, or poultry products, unless that person holds a valid license issued under this chapter. Categories of licensure shall include commercial slaughterers; custom slaughterers; commercial processors; custom processors; wholesale distributors; retail vendors; meat and poultry product brokers; renderers; public warehouse operators; animal food manufacturers; handlers of dead, dying, disabled, or diseased animals; and any other category that the Secretary may by rule establish.

* * *

(d) The annual fee for a license for a retail vendor is \$15.00 for vendors without meat processing operations, \$50.00 for vendors with meat processing space of less than 300 square feet or meat display space of less than 20 linear feet, and \$100.00 for vendors with 300 or more square feet of meat processing space or 20 or more linear feet of meat display space. Fees collected under this section shall be deposited in a special fund managed pursuant to 32 V.S.A. chapter 7, subchapter 5 and shall be available to the Agency to offset the cost of administering chapter 204 of this title. For all other plants, establishments, and related businesses listed under subsection (a) of this section, ~~except for a public warehouse licensed under chapter 67 of this title,~~ the annual license fee shall be \$150.00.

* * *

* * * Livestock Dealers * * *

Sec. 7. 6 V.S.A. § 761 is amended to read:

§ 761. DEFINITIONS

As used in this chapter:

(1) “Camelids” has the same meaning as in section 1151 of this title.

(2) “Domestic deer” has the same meaning as in section 1151 of this title.

(3) “Equines” has the same meaning as in section 1151 of this title.

(4) “Livestock” means cattle, horses equines, sheep, swine, goats, camelids, fallow deer, red deer, reindeer, and domestic deer, American bison, and any other domestic animal that the Secretary deems livestock for the purposes of this chapter.

(2)(5) “Livestock dealer” means a person who, on the person’s own account or for commission, goes from place to place buying, selling, or transporting livestock either directly or through online or other remote transaction, or who operates a livestock auction or sales ring, provided that “livestock dealer” shall not mean:

(A) a federal agency, including any department, division, or authority within the agency;

(B) a nonprofit association approved by the Secretary; or

(C) a person who engages in “farming,” as that term is defined in 10 V.S.A. § 6001(22), and who raises, feeds, or manages livestock as part of a farming operation when that person is buying, selling, or transporting livestock for the person’s farm.

(3)(6) “Packer” means a livestock dealer person who is solely involved in the purchase of livestock for purpose of slaughter at his or her the person’s own slaughter facility.

(4)(7) “Person” means any individual, partnership, unincorporated association, or corporation.

(5)(8) “Transporter” means a livestock dealer who limits his or her activity to transporting person who transports livestock for remuneration and who does not buy or sell livestock. A transporter cannot buy or sell livestock and is not required to be bonded.

Sec. 8. 6 V.S.A. § 762(a) is amended to read:

(a) A person shall not carry on the business of a livestock dealer, packer, or transporter without first obtaining a license from the Secretary of Agriculture, Food and Markets. Before the issuance of a each applicable license, a person shall file an application on Agency-provided forms with the Secretary ~~an application for a license on forms provided by the Agency~~. Each application shall be accompanied by a fee of \$175.00 for livestock dealers and packers and \$100.00 for livestock transporters.

* * * Contagious Diseases and Animal Movement * * *

Sec. 9. 6 V.S.A. § 1151 is amended to read:

§ 1151. DEFINITIONS

As used in this part:

(1) “Accredited veterinarian” means a veterinarian approved by the U.S. Department of Agriculture and the State Veterinarian to perform functions specified by cooperative state-federal disease control programs.

(2) “Animal” or “domestic animal” means cattle, sheep, goats, equines, domestic deer, American bison, swine, poultry, ~~pheasant, Chukar partridge, Coturnix quail,~~ psittacine birds, domestic ferrets, camelids, ratites (ostriches, rheas, and emus), ~~and water buffalo, and any other animals that the Secretary deems a domestic animal for the purposes of this chapter. The term shall include cultured fish propagated by commercial fish farms. Before determining that an unlisted species is a “domestic animal,” the Secretary shall consult with the Secretary of Natural Resources.~~

* * *

(7) ~~“Deer”~~ “Domestic deer” means any member of the family cervidae except for white-tailed deer and moose.

(8) “Domestic fowl” or “poultry” means all domesticated birds of all ages that ~~may be used~~ are edible as human food, or that produce eggs that ~~may be used~~ are edible as human food, excluding ~~those birds protected~~ wildlife as defined by 10 V.S.A. ~~part 4~~ § 4001.

(9) ~~“Equine animal” means~~ “Equines” mean any member of the family equidae, including horses, ponies, mules, asses, and zebras.

(10) ~~“Fallow deer” means domesticated deer of the genus Dama, species dama.~~

(11) ~~“Red deer” means domesticated deer of the family cervidae, subfamily cervidae, genus Cervus, species elaphus.~~

(12)(11) “Reactor” means an animal that tests positive to any official test required under this chapter.

(13)(12) “Reportable disease” means any disease included in the National List of Reportable Animal Diseases and any disease required by the Secretary by rule to be reportable.

(14)(13) “Secretary” means the Secretary of Agriculture, Food and Markets or designee.

Sec. 10. 6 V.S.A. § 1153 is amended to read:

§ 1153. RULES

(a) The Secretary shall adopt rules necessary for the discovery, control, and eradication of contagious diseases and for the slaughter, disposal, quarantine, vaccination, and transportation of animals found to be diseased or exposed to a contagious disease. The Secretary may also adopt rules requiring the disinfection and sanitation of real estate, buildings, vehicles, containers, and equipment that have been associated with diseased livestock.

(b) The Secretary shall adopt rules establishing fencing and transportation requirements for domestic deer.

(c) The Secretary shall adopt rules necessary for the inventory, registration, tracking, and testing of domestic deer.

Sec. 11. 6 V.S.A. § 1165 is amended to read:

§ 1165. TESTING OF CAPTIVE DEER

(a) Definitions. As used in this section:

(1) “Captive deer operation” means a place where domestic deer are privately or publicly maintained, in an artificial manner, or held for economic or other purposes within a perimeter fence or confined space.

(2) “Chronic wasting disease” or “CWD” means a transmissible spongiform encephalopathy.

(b) Testing. A person operating a captive deer operation under the jurisdiction of the Secretary of Agriculture, Food and Markets shall inform the Secretary when a captive deer in ~~his or her~~ the person’s control dies or is sent to slaughter. The person operating the captive deer operation shall make the carcass of a deceased or slaughtered animal available to the Secretary for testing for CWD.

(c) Cost. The cost of CWD testing required under this section shall be assessed to the person operating the captive deer operation from which the tested captive deer originated.

* * * Pesticides; Mosquito Control; Rodenticides * * *

Sec. 12. 6 V.S.A. § 1083 is amended to read:

§ 1083. DUTIES OF SECRETARY OF AGRICULTURE, FOOD AND MARKETS; AUTHORITY OF LANDOWNERS TO USE MOSQUITO CONTROLS

(a) The Secretary of Agriculture, Food and Markets ~~shall~~ may personally or through the Secretary's duly authorized agents:

(1) Survey swamps or other sections within the State suspected of being mosquito or other biting arthropod breeding areas.

(2) Map each section so surveyed, indicate all mosquito or other biting arthropod breeding places and determine methods best adapted for mosquito or other biting arthropod abatement in the areas by drainage, ~~oiling~~ habitat modification, or other means.

(3) Investigate the mosquito or other biting arthropod life history and habits and determine the species present within the areas, and make any other studies ~~he or she~~ the Secretary deems necessary to provide useful information in mosquito or other biting arthropod abatement.

(4) Make the results of the Secretary's surveys, investigations, and studies available to the Department of Health, or relevant selectboard members, or mayors of towns or cities, as the case may be, in which work was done; and shall do so also upon request, shall make those results available to any organizations, ~~public or private~~, or individuals interested in mosquito or other biting arthropod ~~control~~ surveillance work.

(5) Issue or deny permits to any person for the use of larvicides or pupacides for mosquito control in the waters of the State pursuant to procedures adopted under 3 V.S.A. chapter 25. Such procedures shall include provisions regarding an opportunity for public review and comment on permit applications. Persons applying for a permit shall apply on a form provided by the Agency. ~~The Secretary shall seek the advice of the Agricultural Innovation Board when designating acceptable control products and methods for their use and when adopting or amending procedures for implementing this subsection.~~ Before issuing a permit under this subsection, the Secretary shall find, after consultation with the Secretary of the Agency of Natural Resources, that there is acceptable risk to the nontarget environment and that there is negligible risk to public health.

(6) Notwithstanding the provisions of subdivision (5) of this subsection, when the Commissioner of Health has determined that available information suggests that an imminent risk to public health exists as a result of a potential

outbreak of West Nile Virus or other serious illness for which mosquitoes are vectors, the Secretary of Agriculture, Food and Markets may issue permits for the use of larvicides or pupacides for mosquito control without prior public notice or comment.

(b) Notwithstanding any provisions of law to the contrary, a landowner may use ~~biological larvicides or pupacides on his or her own land~~ a properly registered mosquito control pesticide for mosquito control on the landowner's land without obtaining a permit, provided that the ~~biological larvicide or pupacide is designated~~ Secretary designates it as an acceptable control product for this purpose ~~by the Secretary and the landowner complies with all requirements on the label of the product.~~

Sec. 13. 6 V.S.A. § 1084 is amended to read:

§ 1084. ~~ENGINEERS OR TECHNICIANS~~ EMPLOYEES; EQUIPMENT;
ENTRY ON LANDS

The Secretary may employ one or more trained ~~mosquito control engineers or technicians~~ persons to carry out provisions of section 1083 of this title and procure such equipment as is necessary. The Secretary ~~and his or her~~ or duly authorized agents of the Secretary may enter upon any lands in the State making the aforementioned surveys, investigations, and studies.

Sec. 14. 6 V.S.A. § 1085 is amended to read:

§ 1085. MOSQUITO CONTROL GRANT PROGRAM

(a) A Mosquito Control District formed pursuant to 24 V.S.A. chapter 121 may apply, in a manner prescribed by the Secretary, in writing to the Secretary of Agriculture, Food and Markets for a State assistance grant for mosquito control activities.

(b) After submission of an application under subsection (a) of this section, the Secretary of Agriculture, Food and Markets may award a grant of 75 percent or less of the project costs for the purchase and application of larvicide and the costs associated with required larval survey activities within a Mosquito Control District. The Mosquito Control District may provide 25 percent of the project costs through in-kind larvicide services or the purchase of capital equipment used for larval management activities. At the Secretary's discretion, costs associated with capital equipment that may be required for larval ~~control~~ management programs within a Mosquito Control District may be eligible for grant awards up to 75 percent of the total equipment costs.

* * *

(e) Larvicide application funded in part under this section shall occur only after the Secretary of Agriculture, Food and Markets approves treatment as warranted within a Mosquito Control District. The approval of the Secretary shall be based upon a biological assessment of mosquito larvae and pupae populations by a ~~technician~~ person trained and approved by the Agency of Agriculture, Food and Markets.

* * *

Sec. 15. 6 V.S.A. § 911 is amended to read:

§ 911. DEFINITIONS

As used in this chapter:

* * *

(4) “Secretary” means the Secretary of Agriculture, Food and Markets.

(5) “Economic poison” means:

(A) any substance produced, distributed, or used for preventing, destroying, or repelling any insects, rodents, nematodes, fungi, weeds, or other forms of plant or animal life or viruses, except viruses on or in living humans or other animals, that the Secretary shall declare to be a pest; or

(B) any substance produced, distributed, or used as a plant regulator, defoliant, or desiccant.

* * *

(18) “Rodenticide” means any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating rodents or any other vertebrate animal that the Secretary shall declare to be a pest.

* * *

(29) “Second-generation anticoagulant rodenticide” means any rodenticide containing any one of the following active ingredients: brodifacoum, bromadiolone, difenacoum, or difethialone.

Sec. 16. 6 V.S.A. § 918(g) is added to read:

(g) The Secretary shall register as a restricted use pesticide any second-generation anticoagulant rodenticide that is distributed, sold, sold into, or offered for sale within the State or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State.

* * * Vermont Agricultural Credit Program * * *

Sec. 17. 10 V.S.A. § 374a is amended to read:

§ 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT PROGRAM

(a) There is created the Vermont Agricultural Credit Program, which will provide an alternative source of sound and constructive credit to farmers and forest products businesses who are not having their credit needs fully met by conventional agricultural credit sources at reasonable rates and terms; or, in the alternative, the granting of the loan shall serve as a substantial inducement for the establishment or expansion of an eligible project within the State. The Program is intended to meet, either in whole or in part, the credit needs of eligible agricultural facilities and farm operations in fulfillment of one or more of the purposes listed in this subsection by making direct loans and participating in loans made by other agricultural credit providers:

(1) to encourage diversification, cooperative farming, and the development of innovative farming techniques for farming and forest products businesses;

* * *

Sec. 18. 10 V.S.A. § 374b is amended to read:

§ 374b. DEFINITIONS

As used in this chapter:

(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment that is used for, or will be used for producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural or forest products that have been primarily at least partially produced in this State, and working capital reasonably required to operate an agricultural facility.

* * *

(4) “Farm ownership loan” means a loan to acquire or enlarge a farm or agricultural facility, to make capital improvements including construction, purchase, and improvement of farm and agricultural facility buildings, farm worker housing, or farmer housing that can be made fixtures to the real estate, to promote soil and water conservation and protection or provide housing, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

* * *

(8) “Farm operation” ~~shall mean~~ means the cultivation of land or other uses of land for the production of food, fiber, horticultural, silvicultural, orchard, maple syrup, Christmas trees, forest products, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. “Farm operation” also means the storage, preparation, retail sale, and transportation of agricultural or forest commodities accessory to the cultivation or use of such land. “Farm operation” also ~~shall mean~~ means the operation of an agritourism business on a farm subject to regulation under the Required Agricultural Practices. “Farm operation” also means a business that provides specialty services to farmers, such as foresters, farriers, hoof trimmers, or large animal veterinarians operating mobile units.

(9) “Forest products business” means ~~a Vermont~~ an enterprise that is primarily engaged in managing, harvesting, trucking, processing, manufacturing, crafting, or distributing forest products at least partially derived from Vermont forests.

* * *

(15) ~~“Resident” means a person who is or will be domiciled in this State as evidenced by an intent to maintain a principal dwelling place in the State indefinitely and to return there if temporarily absent, coupled with an act or acts consistent with that intent, including the filing of a Vermont income tax return within 18 months of the application for a loan under this chapter. In the case of a limited liability company, partnership, corporation, or other business entity, resident means a business entity formed under the laws of Vermont, the majority of which is owned and operated by Vermont residents who are natural persons. [Repealed.]~~

Sec. 19. 10 V.S.A. § 374h is amended to read:

§ 374h. LOAN ELIGIBILITY STANDARDS

A farmer, forest products business, or a limited liability company, partnership, corporation, or other business entity ~~the majority with a minimum 20 percent~~ ownership of which is vested in one or more farmers, forest products businesses, or a nonprofit corporation, shall be eligible to apply for a farm ownership or operating loan that shall be intended to expand the agricultural economy or forest economy of the State, provided the applicant is:

(1) ~~a resident of this State and will help to expand the agricultural economy of the State;~~

(2) an owner, prospective purchaser, or lessee of agricultural land in the State or of depreciable machinery, equipment, or livestock to be used in the State;

~~(3)~~(2) a person of sufficient education, training, or experience in the operation and management of an agricultural facility or farm operation or forest products business of the type for which the applicant requests the loan;

~~(4)~~(3) an operator or proposed operator of an agricultural facility, farm operation, or forest products business for whom the loan reduces investment costs to an extent that offers the applicant a reasonable chance to succeed in the operation and management of an agricultural facility or farm operation;

~~(5)~~(4) a creditworthy person under such standards as the corporation may establish;

~~(6)~~(5) able to provide and maintain adequate security for the loan by a mortgage on real property or a security agreement and perfected financing statement on personal property;

~~(7)~~(6) able to demonstrate that the applicant is responsible and able to manage responsibilities as owner or operator of the farm operation, agricultural facility, or forest products business;

~~(8)~~(7) able to demonstrate that the applicant has made adequate provision for insurance protection of the mortgaged or secured property while the loan is outstanding;

~~(9)~~(8) a person who possesses the legal capacity to incur loan obligations;

~~(10)~~(9) in compliance with such other reasonable eligibility standards as the corporation may establish;

~~(11)~~(10) able to demonstrate that the project plans comply with all regulations of the municipality where it is to be located and of the State of Vermont;

~~(12)~~(11) able to demonstrate that the making of the loan will be of public use and benefit;

~~(13)~~(12) able to demonstrate that the proposed loan will be adequately secured by a mortgage on real property or by a security agreement on personal property; and

~~(14)~~(13) there will be sufficient projected cash flow to service a reasonable level of debt, including the loan or loans, being considered by the corporation.

* * * Effective Date * * *

Sec. 20. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Bray, for the Committee on Finance, to which the bill was referred, recommended the bill ought to pass when so amended.

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

Bill Amended; Third Reading Ordered

S. 304.

Senate committee bill entitled:

An act relating to Vermont's career and technical education programs.

Having appeared on the calendar for one day, was taken up.

Senator Weeks, for the Committee on Education, to which the bill was referred, reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * CTE Opportunities for Grades Six through 10 * * *

Sec. 1. 16 V.S.A. § 1541a is amended to read:

§ 1541a. RESPONSIBILITY OF LOCAL BOARDS IN SENDING DISTRICTS

(a) A school board of a sending district that offers public education in grade 11 or 12 shall:

(1) Provide students enrolled in grades 11 and 12 with a genuine opportunity to participate fully and to benefit from career technical education.

* * *

(4) Provide students in grades six through eight with career enrichment and exposure. Such exposure shall include visits to or equivalent virtual experiences with the school district's regional career and technical education center at least once between the grades of six and eight.

(5) Provide students enrolled in grades nine and 10 a genuine opportunity to participate fully in pre-tech and exploratory career and technical courses.

* * *

Sec. 2. 16 V.S.A. § 1547 is added to read:

§ 1547. COMPREHENSIVE CAREER DEVELOPMENT POLICY

(a) The Secretary of Education, in consultation with the Commissioner of Labor, shall develop a model Comprehensive Career Development Policy for

all secondary students. The Secretary shall review the model policy not less than every five years and make a determination as to whether the policy needs updating. The model policy shall ensure each student has the opportunity for robust discussion and planning regarding the student's career awareness, exploration, and future goals, consistent with the student's personalized learning plan. The policy shall require each school district to partner with its regional CTE center to develop and ensure the provision of career planning. The policy shall encourage districts to work regionally together in alignment on this policy implementation to preserve CTE capacity.

(b) Each school district board shall develop, adopt, and ensure implementation of a policy and plan for comprehensive career development that is consistent with and at least as comprehensive as the model policy developed by the Secretary. Any school district board 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.

Sec. 3. DEVELOPMENT OF COMPREHENSIVE CAREER DEVELOPMENT POLICY; REPORT

(a) On or before December 1, 2024, the Secretary of Education shall develop and issue the model Comprehensive Career Development Policy required under 16 V.S.A. § 1547.

(b) On or before June 30, 2025, each school district board shall develop, adopt, and ensure implementation of a policy and plan for comprehensive career development that is consistent with and at least as comprehensive as the model policy developed by the Secretary as required under 16 V.S.A. § 1547.

* * * Construction Aid * * *

Sec. 4. CONSTRUCTION AID; CAREER AND TECHNICAL EDUCATION

It is the intent of the General Assembly to ensure that career and technical education centers and their associated facilities are appropriately and equitably included in future updates to the State's construction aid program under 16 V.S.A. chapter 123.

* * * CTE Oversight * * *

Sec. 5. 16 V.S.A. chapter 37, subchapter 2 is amended to read:

Subchapter 2. State Board of Education Oversight of Career and Technical
Education

§ 1531. RESPONSIBILITY OF STATE BOARD SECRETARY

(a) The State Board Secretary has overall responsibility for the effectiveness of career technical education. This requires the Board Secretary to collect suitable information and to take appropriate steps within ~~its~~ the Secretary's legal, financial, and personnel resources to ensure that:

* * *

(b) In order to provide regional career technical education services efficiently, the State Board Secretary shall designate a service region for each career technical center. However, the Board Secretary may designate a service region for two or more comprehensive high schools if that region is not served by a career technical center.

(c) For a school district that is geographically isolated from a Vermont career technical center, the State Board Secretary may approve a career technical center in another state as the career technical center that district students may attend. In this case, the school district shall receive transportation assistance pursuant to section 1563 of this title and tuition assistance pursuant to subsection 1561(c) of this title. Any student who is a resident in the Windham Southwest Supervisory Union and who is enrolled at public expense in the Charles H. McCann Technical School or the Franklin County Technical School shall be considered to be attending an approved career technical center in another state pursuant to this subsection, and, if the student is from a school district eligible for a merger support grant pursuant to section 4015 of this title or a small school weight pursuant to section 4010 of this title, the student's full-time equivalency shall be computed according to time attending the school.

§ 1532. MINIMUM STANDARDS; MEASUREMENT OF STANDARDS

(a) The State Board Agency of Education shall adopt by rule:

(1) Minimum standards for the operation and performance of career technical centers that include the education quality standards adopted by the State Board under subdivision 164(9) and section 165 of this title.

(2) Standards for student performance based on the standards adopted by the State Board under subdivision 164(9) of this title and standards for industry recognized credentials.

* * *

(b) The following shall be adopted by procedure or rule:

(1) ~~competencies~~ proficiencies that graduates of each kind of career technical program should be able to demonstrate, including career technical competencies necessary for the student's intended employment;

(2) minimum admissions ~~competencies~~ proficiencies for entrance into each career technical course of study;

* * *

§ 1533. CAREER TECHNICAL CENTER EVALUATION

(a) At least once in each period of five years, ~~and in coordination with the Vermont Advisory Council on Career Technical Education,~~ the Secretary shall evaluate the effectiveness of each career technical center in the State. The ~~State Board~~ Secretary by rule shall prescribe the method for conducting these evaluations.

(b) Evaluations of career technical centers shall consider at least the following areas:

(1) compliance with this chapter and the rules of the ~~State Board~~ Secretary;

(2) the condition and suitability of the facility and its equipment;

(3) the quality of the course of study, including faculty development policies and instruction;

(4) the overall success of the center at combining academic education, skill training, and employability trait development into its program;

(5) the overall success of the center in providing regionwide services and a flexible response to student needs, integrating its courses of study into a coherent program, and coordinating its program with postsecondary career technical education services;

(6) the satisfaction of the center's customer groups, including graduates, sending schools, and local industry;

(7) the adequacy and effectiveness of the center in meeting the educational and employment needs of all its eligible students, including its success in taking steps to encourage each student to consider enrolling in courses not traditional for that student's gender; and

(8) alignment of the program, and other center operations, to Agency of Education, District Quality Standards (CVR 23-020), as applicable.

(c) [Repealed.]

§ 1534. COURSE OF STUDY EVALUATION

(a) At least once in each period of five years, ~~and in coordination with the Vermont Advisory Council on Career Technical Education,~~ the Secretary shall evaluate the effectiveness of each course of study offered by any career technical center in the State. ~~The State Board~~ Secretary by rule shall prescribe the method for conducting these evaluations.

* * *

Sec. 6. TRANSFER OF RULEMAKING AUTHORITY; TRANSFER OF RULES

(a) The statutory authority to adopt rules by the State Board of Education pertaining to the oversight of career and technical education adopted under 16 V.S.A. chapter 37 and 3 V.S.A. chapter 25 is transferred from the State Board of Education to the Agency of Education.

(b) All rules pertaining to career and technical education adopted by the State Board of Education under 3 V.S.A. chapter 25 prior to July 1, 2024 shall be deemed the rules of the Agency of Education and remain in effect until amended or repealed by the Agency of Education pursuant to 3 V.S.A. chapter 25.

(c) The Agency of Education shall provide notice of the transfer to the Secretary of State and the Legislative Committee on Administrative Rules in accordance with 3 V.S.A. § 848(d)(2).

* * * Postsecondary Program Articulation Agreements * * *

Sec. 7. 16 V.S.A. § 1594 is added to read:

§ 1594. POSTSECONDARY PROGRAM ALIGNMENT

(a) In order to promote a seamless pathway from CTE to postsecondary opportunities, the Vermont State Colleges Corporation shall maintain program and course articulation agreements with all secondary CTE centers in the following programs:

- (1) manufacturing;
- (2) engineering;
- (3) health sciences;
- (4) education; and
- (5) carpentry, construction, and building trades.

(b) As used in this section, “articulation agreement” means an officially approved agreement between a secondary CTE center and the Vermont State

Colleges Corporation that allows secondary CTE students to earn college credit for the work they complete at a secondary CTE center.

* * * Position * * *

Sec. 8. POSITION; APPROPRIATION

(a) The establishment of one new permanent classified CTE Education Programs Coordinator position is authorized in the Agency of Education in fiscal year 2025.

(b) The sum of \$150,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2025 for personal services and operating expenses for the CTE Education Programs Coordinator position established under subsection (a) of this section.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator MacDonald, for the Committee on Finance, to which the bill was referred, recommended the bill ought to pass when so amended.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Education with the following amendment:

By striking out Sec. 8, position; appropriation, and its reader assistance heading in their entireties and inserting in lieu thereof the following:

Sec. 8. [Deleted.]

And that when so amended the bill ought to pass.

Thereupon the bill was read the second time by title only pursuant to Rule 43, and the recommendation of amendment of the Committee on Education was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Education, as amended?, was agreed to and third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 167.

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

An act relating to miscellaneous amendments to education law.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Public Construction Bids * * *

Sec. 1. 16 V.S.A. § 559 is amended to read:

§ 559. PUBLIC BIDS

* * *

(b) High-cost construction contracts. When a school construction contract exceeds ~~\$500,000.00~~ \$2,000,000.00:

(1) The State Board shall establish, in consultation with the Commissioner of Buildings and General Services and with other knowledgeable sources, general rules for the prequalification of bidders on such a contract. The Department of Buildings and General Services, upon notice by the Secretary, shall provide to school boards undergoing construction projects suggestions and recommendations on bidders qualified to provide construction services.

(2) At least 60 days prior to the proposed bid opening on any construction contract to be awarded by a school board that exceeds ~~\$500,000.00~~ \$2,000,000.00, the school board shall publicly advertise for contractors interested in bidding on the project. The advertisement shall indicate that the school board has established prequalification criteria that a contractor must meet and shall invite any interested contractor to apply to the school board for prequalification. All interested contractors shall submit their qualifications to the school board, which shall determine a list of eligible prospective bidders based on the previously established criteria. At least 30 days prior to the proposed bid opening, the school board shall give written notice of the board's determination to each contractor that submitted qualifications. The school board shall consider all bids submitted by prequalified bidders meeting the deadline.

(c) Contract award.

(1) A contract for any such item or service to be obtained pursuant to subsection (a) of this section shall be ~~awarded to one of~~ selected from among the three or fewer lowest responsible bids conforming to specifications, with consideration being given to quantities involved, time required for delivery, purpose for which required, competency and responsibility of bidder, and ~~his~~ ~~or her~~ the bidder's ability to render satisfactory service. A board shall have the right to reject any or all bids.

(2) A contract for any property, construction, good, or service to be obtained pursuant to subsection (b) of this section shall be awarded to the lowest responsible bid conforming to specifications. However, when considering the base contract amount and without considering cost overruns, if the two lowest responsible bids are within one percent of each other, the board may award the contract to either bidder. A board shall have the right to reject any bid found not to be responsible or conforming to specifications or to reject all bids.

* * *

* * * Postsecondary Schools Chartered in Vermont * * *

Sec. 2. 16 V.S.A. § 176(d) is amended to read:

(d) Exemptions. The following are exempt from the requirements of this section except for the requirements of subdivision (c)(1)(C) of this section:

* * *

(4) Postsecondary schools that are accredited. The following postsecondary institutions are accredited, meet the criteria for exempt status, and are authorized to operate educational programs beyond secondary education, including programs leading to a degree or certificate: Bennington College, Champlain College, ~~College of St. Joseph~~, Goddard College, ~~Green Mountain College~~, Landmark College, ~~Marlboro College~~, Middlebury College, ~~New England Culinary Institute~~, Norwich University, Saint Michael's College, SIT Graduate Institute, ~~Southern Vermont College~~, Sterling College, Vermont College of Fine Arts, and Vermont Law and Graduate School. This authorization is provided solely to the extent necessary to ensure institutional compliance with federal financial aid-related regulations, and it does not affect, rescind, or supersede any preexisting authorizations, charters, or other forms of recognition or authorization.

* * *

Sec. 3. 2023 Acts and Resolves No. 29, Sec. 6(c) is amended to read:

(c) Sec. 2 (16 V.S.A. § 1480) shall take effect on ~~July 1, 2024~~ July 1, 2025.

* * * Holocaust Education * * *

Sec. 4. HOLOCAUST EDUCATION; DATA COLLECTION; REPORT

(a) On or before December 1, 2024, the Agency of Education shall request from all supervisory unions a report containing information regarding whether and where Holocaust education is taught in the prekindergarten through grade 12 supervisory union-wide curriculum. The request required under this

subsection shall be developed in consultation with the Vermont Holocaust Memorial.

(b) On or before September 1, 2025, Supervisory unions shall report back to the Agency with the information requested pursuant to subsection (a) of this section.

(c) On or before January 1, 2026, the Agency shall submit a written report to the Senate and House Committees on Education with information, organized by supervisory union, regarding the inclusion of Holocaust education in curriculum across the State. Additionally, the report shall include an explanation of how curricula are developed, including an analysis of how Holocaust education fits into the standards for student performance adopted by the State Board of Education pursuant to 16 V.S.A. § 164(9).

(d) On or before January 1, 2026, the Agency shall provide all supervisory unions with Holocaust education resources, which shall be developed in consultation with the Vermont Holocaust Memorial.

* * * Virtual Learning * * *

Sec. 5. 16 V.S.A. § 948 is added to read:

§ 948. VIRTUAL LEARNING

(a) The Agency of Education shall maintain access to and oversight of a virtual learning provider for the purpose of offering virtual learning opportunities to Vermont students.

(b) A student may enroll in virtual learning if:

(1) the student is enrolled in a Vermont public school, including a Vermont career technical center;

(2) virtual learning is determined to be an appropriate learning pathway outlined in the student's personalized learning plan; and

(3) the student's learning experience occurs under the supervision of an appropriately licensed educator and aligns with State expectations and standards, as adopted by the Agency and the State Board of Education, as applicable.

(c) The Agency of Education shall adopt rules pursuant to 3 V.S.A. chapter 25 to implement this section.

(d) A school district shall count a student enrolled in virtual learning in the school district's average daily membership, as defined in section 4001 of this title, if the student meets all of the criteria in subsection (b) of this section.

Sec. 6. 16 V.S.A. § 942(13) is amended to read:

(13) ~~“Virtual learning” means learning in which the teacher and student communicate concurrently through real-time telecommunication. “Virtual learning” also means online learning in which communication between the teacher and student does not occur concurrently and the student works according to his or her own schedule~~ an intentionally designed learning environment for online teaching and learning using online design principles and teachers trained in the delivery of online instruction. This instruction may take place either in a self-paced environment or a real-time environment.

* * * Home Study Program * * *

Sec. 7. 16 V.S.A. § 166b is amended to read:

§ 166b. HOME STUDY PROGRAM

* * *

(e) Hearings after enrollment. If the Secretary has information that reasonably could be expected to justify an order of termination under this section, the Secretary 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; or

(3) the home study program will not provide a student with the minimum course of study.

(f) Notice and procedure. Notice of a 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 following the day that notice is given or sent. 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.

(g) Order following hearing. After hearing evidence, the hearing officer shall enter an order within 10 working days. 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 terminating enrollment shall extend until the end of the following school year, as defined in this title. If the order is to 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.

* * *

* * * Effective Date * * *

Sec. 8. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported that the bill ought to pass when so amended.

Senator McCormack, for the Committee on Finance, to which the bill was referred, reported that the bill ought to pass when so amended.

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

Bill Amended; Third Reading Ordered

S. 259.

Senator Hashim, for the Committee on Judiciary, to which was referred Senate bill entitled:

An act relating to climate change cost recovery.

Reported recommending that the bill be amended 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 “Climate Superfund Act.”

Sec. 2. 10 V.S.A. chapter 24A is added to read:

CHAPTER 24A. CLIMATE SUPERFUND COST RECOVERY PROGRAM

§ 596. DEFINITIONS

As used in this chapter:

(1) “Agency” means the Agency of Natural Resources.

(2) “Climate change adaptation project” means a project designed to respond to, avoid, moderate, repair, or adapt to negative impacts caused by

climate change and to assist human and natural communities, households, and businesses in preparing for future climate-change-driven disruptions. Climate change adaptation projects include implementing nature-based solutions and flood protections; home buyouts; upgrading stormwater drainage systems; making defensive upgrades to roads, bridges, railroads, and transit systems; preparing for and recovering from extreme weather events; undertaking preventive health care programs and providing medical care to treat illness or injury caused by the effects of climate change; relocating, elevating, or retrofitting sewage treatment plants and other infrastructure vulnerable to flooding; installing energy efficient cooling systems and other weatherization and energy efficiency upgrades and retrofits in public and private buildings, including schools and public housing, designed to reduce the public health effects of more frequent heat waves and forest fire smoke; upgrading parts of the electrical grid to increase stability and resilience, including supporting the creation of self-sufficient microgrids; and responding to toxic algae blooms, loss of agricultural topsoil, crop loss, and other climate-driven ecosystem threats to forests, farms, fisheries, and food systems.

(3) “Climate Superfund Cost Recovery Program” means the program established by this chapter.

(4) “Coal” means bituminous coal, anthracite coal, and lignite.

(5)(A) “Controlled group” means two or more entities treated as a single employer under:

(i) 26 U.S.C. § 52(a) or (b), without regard to 26 U.S.C. § 1563(b)(2)(C); or

(ii) 26 U.S.C. § 414(m) or (o).

(B) For purposes of this chapter, entities in a controlled group are treated as a single entity for purposes of meeting the definition of responsible party and are jointly and severally liable for payment of any cost recovery demand owed by any entity in the controlled group.

(6) “Cost recovery demand” means a charge asserted against a responsible party for cost recovery payments under the Program for payment to the Fund.

(7) “Covered greenhouse gas emissions” means the total quantity of greenhouse gases released into the atmosphere during the covered period, expressed in metric tons of carbon dioxide equivalent, resulting from the use of fossil fuels extracted or refined by an entity.

(8) “Covered period” means the period that began on January 1, 1995 and ended on December 31, 2024.

(9) “Crude oil” means oil or petroleum of any kind and in any form, including bitumen, oil sands, heavy oil, conventional and unconventional oil, shale oil, natural gas liquids, condensates, and related fossil fuels.

(10) “Entity” means any individual, trustee, agent, partnership, association, corporation, company, municipality, political subdivision, or other legal organization, including a foreign nation, that holds or held an ownership interest in a fossil fuel business during the covered period.

(11) “Environmental justice focus population” has the same meaning as in 3 V.S.A. § 6002.

(12) “Fossil fuel” means coal, petroleum products, and fuel gases.

(13) “Fossil fuel business” means a business engaging in the extraction of fossil fuels or the refining of petroleum products.

(14) “Fuel gases” or “fuel gas” means:

(A) methane;

(B) natural gas;

(C) liquified natural gas; and

(D) manufactured fuel gases.

(15) “Fund” means the Climate Superfund Cost Recovery Program Fund established pursuant to section 599 of this title.

(16) “Greenhouse gas” has the same meaning as in section 552 of this title.

(17) “Nature-based solutions” means projects that utilize or mimic nature or natural processes and functions and that may also offer environmental, economic, and social benefits while increasing resilience. Nature-based solutions include both green and natural infrastructure.

(18) “Notice of cost recovery demand” means the written communication from the Agency informing a responsible party of the amount of the cost recovery demand payable to the Fund.

(19) “Petroleum product” means any product refined or re-refined from:

(A) synthetic or crude oil; or

(B) crude oil extracted from natural gas liquids or other sources.

(20) “Program” means the Climate Superfund Cost Recovery Program established under this chapter.

(21) “Qualifying expenditure” means an authorized payment from the Fund to pay reasonable expenses associated with the administration of the Fund and the Program and as part of the support of a climate change adaptation project, including its operation, monitoring, and maintenance.

(22) “Responsible party” means any entity or a successor in interest to an entity that during any part of the covered period was engaged in the trade or business of extracting fossil fuel or refining crude oil and is determined by the Agency attributable to for more than one billion metric tons of covered greenhouse gas emissions during the covered period. The term responsible party does not include any person who lacks sufficient connection with the State to satisfy the nexus requirements of the U.S. Constitution.

(23) “Strategy” means the Resilience Implementation Strategy adopted by the Agency.

§ 597. THE CLIMATE SUPERFUND COST RECOVERY PROGRAM

There is hereby established the Climate Superfund Cost Recovery Program administered by the Climate Action Office of the Agency of Natural Resources. The purposes of the Program shall be all of the following:

(1) to secure compensatory payments from responsible parties based on a standard of strict liability to provide a source of revenue for climate change adaptation projects within the State;

(2) to determine proportional liability of responsible parties;

(3) to impose cost recovery demands on responsible parties and issue notices of cost recovery demands;

(4) to accept and collect payment from responsible parties;

(5) to develop, adopt, implement, and update the Strategy that will identify and prioritize climate change adaptation projects; and

(6) to disperse funds to implement climate change adaptation projects identified in the Strategy.

§ 598. LIABILITY OF RESPONSIBLE PARTIES

(a)(1) A responsible party shall be strictly liable for a share of the costs of climate change adaptation projects and all qualifying expenditures supported by the Fund.

(2) For purposes of this section, entities in a controlled group:

(A) shall be treated by the Agency as a single entity for the purposes of identifying responsible parties; and

(B) are jointly and severally liable for payment of any cost recovery demand owed by any entity in the controlled group.

(b) With respect to each responsible party, the cost recovery demand shall be equal to an amount that bears the same ratio to the cost to the State of Vermont and its residents, as calculated by the State Treasurer pursuant to section 599c of this title, from the emission of covered greenhouse gases during the covered period as the responsible party's applicable share of covered greenhouse gas emissions bears to the aggregate applicable shares of covered greenhouse gas emissions resulting from the use of fossil fuels extracted or refined during the covered period.

(c) If a responsible party owns a minority interest of 10 percent or more in another entity, the responsible party's applicable share of covered greenhouse gas emissions shall be increased by the applicable share of covered greenhouse gas emissions for the entity in which the responsible party holds a minority interest multiplied by the percentage of the minority interest held by the responsible party.

(d) The Agency shall use the U.S. Environmental Protection Agency's Emissions Factors for Greenhouse Gas Inventories as applied to the best publicly available fossil fuel volume data for the purpose of determining the amount of covered greenhouse gas emissions attributable to any entity from the fossil fuels attributable to the entity.

(e) The Agency may adjust the cost recovery demand amount of a responsible party who refined petroleum products or who is a successor in interest to an entity that refines petroleum products if the responsible party establishes to the satisfaction of the Agency that:

(1) a portion of the cost recovery demand amount was attributable to the refining of crude oil extracted by another responsible party; and

(2) the crude oil extracted by the other entity was accounted for when the Agency determined the cost recovery demand amount for the other entity of a successor in interest of the other entity.

(f) The Agency shall issue the cost recovery demands required under this section not later than six months following the adoption of the rules required under subdivision 599a(b)(2) of this title.

(g)(1) Except as provided in subdivision (2) of this subsection, a responsible party shall pay the cost recovery demand amount in full not later than six months following the Secretary's issuance of the cost recovery demand.

(2)(A) A responsible party may elect to pay the cost recovery demand amount in nine annual installments in accordance with this subdivision (2).

(B) The first installment shall be paid not later than six months following the Secretary's issuance of the cost recovery demand and shall be equal to 20 percent of the total cost recovery demand amount.

(C) Each subsequent installment shall be paid one year from the initial payment each subsequent year and shall be equal to 10 percent of the total cost recovery demand amount. The Secretary, at the Secretary's discretion, may adjust the amount of a subsequent installment payment to reflect increases or decreases in the Consumer Price Index.

(D)(i) The unpaid balance of all remaining installments shall become due immediately if:

(I) the responsible party fails to pay any installment in a timely manner, as specified in Agency rules;

(II) except as provided in subdivision (ii) of this subdivision (g)(2)(D), there is a liquidation or sale of substantially all the assets of the responsible party; or

(III) the responsible party ceases to do business.

(ii) In the case of a sale of substantially all the assets of a responsible party, the remaining installments shall not become due immediately if the buyer enters into an agreement with the Agency under which the buyer assumes liability for the remaining installments due under this subdivision (2) in the same manner as if the buyer were the responsible party.

(h) The Agency shall deposit cost recovery payments collected under this chapter to the Climate Superfund Cost Recovery Program Fund established under section 599 of this title.

(i) A responsible party aggrieved by the issuance of a notice of cost recovery demand shall exhaust administrative remedies by filing a request for reconsideration with the Secretary within 15 days following issuance of the notice of cost recovery demand. A request for reconsideration shall state the grounds for the request and include supporting documentation. The Secretary shall notify the responsible party of the final decision by issuing a subsequent notice of cost recovery demand. A responsible party aggrieved by the issuance of a final notice of cost recovery demand may bring an action pursuant to Rule 74 of the Vermont Rules of Civil Procedure in the Civil Division of the Superior Court of Washington County.

(j) Nothing in this section shall be construed to supersede or diminish in any way existing remedies available to a person of the State at common law or under statute.

§ 599. CLIMATE SUPERFUND COST RECOVERY PROGRAM FUND

(a) There is created the Climate Superfund Cost Recovery Program Fund to be administered by the Secretary of Natural Resources to provide funding for climate change adaptation projects in the State. The Fund shall consist of:

(1) cost recovery payments distributed to the Fund under section 598 of this title;

(2) monies from time to time appropriated to the Fund by the General Assembly; and

(3) other gifts, donations, or other monies received from any source, public or private, dedicated for deposit into the Fund and approved by the Secretary of Administration.

(b) The Fund may be used only:

(1) to pay:

(A) qualified expenditures for climate change adaptation projects identified by the Agency in the Strategy; and

(B) reasonable administrative expenses of the Program; and

(2) to implement climate adaptation action identified in the State Hazard Mitigation Plan.

(c) Notwithstanding any contrary provisions of 32 V.S.A. chapter 7, subchapter 5, unexpended balances and interest earned by the Fund shall be retained in the Fund from year to year.

§ 599a. REPORTS; RULEMAKING

(a) On or before January 15, 2025, the Agency, in consultation with the State Treasurer, shall submit a report to the General Assembly detailing the feasibility and progress of carrying out the requirements of this chapter, including any recommendations for improving the administration of the Program.

(b) The Agency shall adopt rules necessary to implement the requirements of this chapter, including:

(1) adopting methodologies using the best available science and publicly available data to identify responsible parties and determine their applicable share of covered greenhouse gas emissions;

(2) requirements for registering entities that are responsible parties and issuing notices of cost recovery demands under the Program; and

(3) the Resilience Implementation Strategy, which shall include:

(A) practices utilizing nature-based solutions intended to stabilize floodplains, riparian zones, lake shoreland, wetlands, and similar lands;

(B) practices to adapt infrastructure to the impacts of climate change;

(C) practices needed to build out early warning mechanisms and support fast, effective response to climate-related threats;

(D) practices that support economic and environmental sustainability in the face of changing climate conditions; and

(E) criteria and procedures for prioritizing climate change adaptation projects eligible to receive monies from the Climate Superfund Cost Recovery Program.

(c) In adopting the Strategy, the Agency shall:

(1) consult with the Environmental Justice Advisory Council;

(2) in consultation with other State agencies and departments, including the Department of Public Safety's Division of Vermont Emergency Management, assess the adaptation needs and vulnerabilities of various areas vital to the State's economy, normal functioning, and the health and well-being of Vermonters;

(3) identify major potential, proposed, and ongoing climate change adaptation projects throughout the State;

(4) identify opportunities for alignment with existing federal, State, and local funding streams;

(5) consult with stakeholders, including local governments, businesses, environmental advocates, relevant subject area experts, and representatives of environmental justice focus populations;

(6) consider components of the Vermont Climate Action Plan required under section 592 of this title that are related to adaptation or resilience, as defined in section 590 of this title; and

(7) conduct public engagement in areas and communities that have the most significant exposure to the impacts of climate change, including disadvantaged, low-income, and rural communities and areas.

(d) Nothing in this section shall be construed to limit the existing authority of a State agency, department, or entity to regulate greenhouse gas emissions

or establish strategies or adopt rules to mitigate climate risk and build resilience to climate change.

§ 599b. CLIMATE CHANGE COST RECOVERY PROGRAM AUDIT

Once every five years, the State Auditor shall evaluate the operation and effectiveness of the Climate Superfund Cost Recovery Program. The Auditor shall make recommendations to the Agency on ways to increase program efficacy and cost-effectiveness. The Auditor shall submit the results of the audit to the Senate Committees on Natural Resources and Energy and on Judiciary and the House Committees on Environment and Energy and on Judiciary.

§ 599c. STATE TREASURER REPORT ON THE COST TO VERMONT OF COVERED GREENHOUSE GAS EMISSIONS

On or before January 15, 2026, the State Treasurer, after consultation with the Interagency Advisory Board to the Climate Action Office, and with any other person or entity whom the State Treasurer decides to consult for the purpose of obtaining and utilizing credible data or methodologies that the State Treasurer determines may aid the State Treasurer in making the assessments and estimates required by this section, shall submit to the Senate Committees on Appropriations, on Finance, on Agriculture, and on Natural Resources and Energy and the House Committees on Appropriations; on Ways and Means; on Agriculture, Food Resiliency, and Forestry; and on Environment and Energy an assessment of the cost to the State of Vermont and its residents of the emission of covered greenhouse gases for the period that began on January 1, 1995 and ended on December 31, 2024. The assessment shall include:

(1) a summary of the various cost-driving effects of covered greenhouse gas emissions on the State of Vermont, including effects on public health, natural resources, biodiversity, agriculture, economic development, flood preparedness and safety, housing, and any other effect that the State Treasurer, in consultation with the Climate Action Office, determines is relevant;

(2) a categorized calculation of the costs that have been incurred and are projected to be incurred in the future within the State of Vermont of each of the effects identified under subdivision (1) of this section; and

(3) a categorized calculation of the costs that have been incurred and are projected to be incurred in the future within the State of Vermont to abate the effects of covered greenhouse gas emissions from between January 1, 1995 and December 31, 2024 on the State of Vermont and its residents.

Sec. 3. IMPLEMENTATION

(a) On or before July 1, 2025, the Agency of Natural Resources pursuant to 3 V.S.A. § 837 shall file with the Interagency Committee on Administrative Rules the proposed rule for the adoption of the Resilience Implementation Strategy required pursuant to 10 V.S.A § 599a(b)(3). On or before January 1, 2026, the Agency of Natural Resources shall adopt the final rule establishing the Resilience Implementation Strategy required pursuant to 10 V.S.A § 599a(b)(3).

(b) On or before July 1, 2026, the Agency of Natural Resources pursuant to 3 V.S.A. § 837 shall file with the Interagency Committee on Administrative Rules the proposed rules required pursuant to 10 V.S.A. § 599a(b)(1) and (b)(2). On or before January 1, 2027, the Agency of Natural Resources shall adopt the final rule rules required pursuant to 10 V.S.A. § 599a(b)(1) and (b)(2).

Sec. 4. APPROPRIATIONS

(a) The sum of \$300,000.00 is appropriated from the General Fund to the Agency of Natural Resources in fiscal year 2025 for the purpose of implementing the requirements of this act, including for personal services for the position created pursuant to Sec. 5 of this act; costs associated with providing administrative, technical, and legal support in carrying out the requirements of this act and the Program; hiring consultants and experts; and for other necessary costs and expenses.

(b) The sum of \$300,000.00 is appropriated from the General Fund to the Office of the State Treasurer in fiscal year 2025 for the purposes of hiring consultants or third-party services to assist in the completion of the assessment required by 10 V.S.A. § 599c of the cost to the State of Vermont and its residents of the emission of covered greenhouse gases. Notwithstanding the authorized uses of the Climate Superfund Cost Recovery Program Fund pursuant to 10 V.S.A. § 599(b), the first \$300,000.00 deposited into the Climate Superfund Cost Recovery Program Fund shall be used to reimburse the General Fund for the funds appropriated to the Office of the State Treasurer under this section.

Sec. 5. AGENCY OF NATURAL RESOURCES; POSITION

One three-year limited service position is created in the Agency of Natural Resources for the purpose of implementing this act.

Sec. 6. 10 V.S.A. § 8003(a) 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:

* * *

(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; ~~and~~

(33) 10 V.S.A. chapter 24A relating to the Climate Superfund Cost Recovery Program.

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Senator Bray, for the Committee on Finance, to which the bill was referred, reported that the bill ought to pass when so amended.

Senator Sears, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Judiciary with further amendment in Sec. 2, 10 V.S.A. § 599, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) The Fund may be used only:

(1) to pay:

(A) qualified expenditures for climate change adaptation projects identified by the Agency in the Strategy; and

(B) reasonable administrative expenses of the Program;

(2) to implement climate adaptation action identified in the State Hazard Mitigation Plan; and

(3) to implement the Community Resilience and Disaster Mitigation Grant Program established pursuant to 20 V.S.A. §§ 48 and 49.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of amendment of the Committee on Judiciary was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Judiciary, as amended?, was agreed to, on a roll call, Yeas 21, Nays 5.

Senator Watson 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, McCormack, Norris, Perchlik, Sears, Starr, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: *Brock, Collamore, Ingalls, Weeks, Williams.

Those Senators absent and not voting were: Kitchel, Mazza, Ram Hinsdale, Westman.

*Senator Brock explained his vote as follows:

“Being first has a cost - perhaps a huge one.

“Of all the massive fossil fuel providers, just Exxon-Mobil alone has annual revenues of \$444.6 billion. Vermont has a total budget of \$8.5 billion.

“I would prefer one or more large states, such as New York or California, to make the investment needed.

“Leading the way in speculative and hugely expensive litigation may be costly to our taxpayers at a time when we can least afford it.”

Thereupon, third reading of the bill was ordered.

Message from the House No. 37

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 585. An act relating to amending the pension system for sheriffs and certain deputy sheriffs.

H. 612. An act relating to miscellaneous cannabis amendments.

H. 630. An act relating to boards of cooperative education services.

H. 721. An act relating to expanding access to Medicaid and Dr. Dynasaur.

H. 873. An act relating to financing the testing for and remediation of the presence of polychlorinated biphenyls (PCBs) in schools.

H. 880. An act relating to increasing access to justice and to corporate taxes and fees.

In the passage 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. 50. Joint resolution relating to weekend adjournment on March 29, 2024.

And has adopted the same in concurrence.

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 Perchlik, Cummings and Watson,

By Rep. Mihaly,

S.C.R. 12.

Senate concurrent resolution congratulating the educator, baker, peace activist, and writer Jules Rabin of Marshfield on his 100th birthday.

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. Canfield and others,

By Senators Bray, Collamore, Hardy and Williams,

H.C.R. 192.

House concurrent resolution congratulating Trey Lee on his achievements as a Fair Haven Union High School wrestler.

By Reps. Higley and others,

By Senators Ingalls and Starr,

H.C.R. 193.

House concurrent resolution honoring Steve Mason for his dedicated and superb leadership of the Lowell School Board and the North Country Supervisory Union Board.

By Reps. Maguire and others,

By Senators Collamore, Weeks and Williams,

H.C.R. 194.

House concurrent resolution in memory of Rutland City Police Officer Jessica Marie Ebbighausen of Ira.

By Reps. Bos-Lun and others,

H.C.R. 195.

House concurrent resolution recognizing April 5, 2024 as Civilian Conservation Corps Day in Vermont.

By Reps. Rachelson and others,

By Senators Chittenden, Lyons, Ram Hinsdale and Wrenner,

H.C.R. 196.

House concurrent resolution honoring Robert Bick for his remarkable three decades of leadership at the Howard Center.

By Reps. Goldman and others,

By Senator Perchlik,

H.C.R. 197.

House concurrent resolution designating April 3, 2024 as Prevention Day in Vermont.

By Reps. Hango and others,

By Senators Collamore, Norris, Weeks and Williams,

H.C.R. 198.

House concurrent resolution designating April 18, 2024 as USS VERMONT (SSN 792) Day in Vermont.

By Reps. Rachelson and others,

By Senators Chittenden, Lyons, Ram Hinsdale, Vyhovsky and Wrenner,

H.C.R. 199.

House concurrent resolution congratulating the Boys & Girls Clubs of Vermont's 2024 Youth of the Year honorees and designating April 4, 2024 as Boys & Girls Club Day at the State House.

By Reps. Farlice-Rubio and others,

By Senators Clarkson, Hardy, Harrison, Kitchel, McCormack, Vyhovsky, Watson and Wrenner,

H.C.R. 200.

House concurrent resolution commemorating Vermont's historic April 8, 2024 total solar eclipse.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, April 2, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 50.

TUESDAY, APRIL 2, 2024

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. 38

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 687. An act relating to community resilience and biodiversity protection through land use.

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

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

H.C.R. 192. House concurrent resolution congratulating Trey Lee on his achievements as a Fair Haven Union High School wrestler.

H.C.R. 193. House concurrent resolution honoring Steve Mason for his dedicated and superb leadership of the Lowell School Board and the North Country Supervisory Union Board.

H.C.R. 194. House concurrent resolution in memory of Rutland City Police Officer Jessica Marie Ebbighausen of Ira.

H.C.R. 195. House concurrent resolution recognizing April 5, 2024 as Civilian Conservation Corps Day in Vermont.

H.C.R. 196. House concurrent resolution honoring Robert Bick for his remarkable three decades of leadership at the Howard Center.

H.C.R. 197. House concurrent resolution designating April 3, 2024 as Prevention Day in Vermont.

H.C.R. 198. House concurrent resolution designating April 18, 2024 as USS VERMONT (SSN 792) Day in Vermont.

H.C.R. 199. House concurrent resolution congratulating the Boys & Girls Clubs of Vermont's 2024 Youth of the Year honorees and designating April 4, 2024 as Boys & Girls Club Day at the State House.

H.C.R. 200. House concurrent resolution commemorating Vermont's historic April 8, 2024 total solar eclipse.

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. 12. Senate concurrent resolution congratulating the educator, baker, peace activist, and writer Jules Rabin of Marshfield on his 100th birthday.

And has adopted the same in concurrence.

The Governor has informed the House that on March 29, 2024, he approved and signed bills originating in the House of the following titles:

H. 518. An act relating to the approval of amendments to the charter of the Town of Essex.

H. 801. An act relating to approval of the adoption of the charter of the Town of Waterbury.

Bill Referred to Committee on Finance

H. 543.

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

An act relating to Vermont's adoption of the Social Work Licensure Compact.

Joint Senate Resolution Adopted on the Part of the Senate**J.R.S. 51.**

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. 51. Joint resolution relating to weekend adjournment on April 5, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 5, 2024, it be to meet again no later than Tuesday, April 9, 2024.

Bills Referred

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

H. 585.

An act relating to amending the pension system for sheriffs and certain deputy sheriffs.

To the Committee on Government Operations.

H. 612.

An act relating to miscellaneous cannabis amendments.

To the Committee on Economic Development, Housing and General Affairs.

H. 630.

An act relating to boards of cooperative education services.

To the Committee on Education.

H. 687.

An act relating to community resilience and biodiversity protection through land use.

To the Committee on Natural Resources and Energy.

H. 721.

An act relating to expanding access to Medicaid and Dr. Dynasaur.

To the Committee on Health and Welfare.

H. 873.

An act relating to financing the testing for and remediation of the presence of polychlorinated biphenyls (PCBs) in schools.

To the Committee on Education.

H. 880.

An act relating to increasing access to justice and to corporate taxes and fees.

To the Committee on Judiciary.

Bills Passed

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

S. 167. An act relating to miscellaneous amendments to education law.

S. 301. An act relating to miscellaneous agricultural subjects.

S. 304. An act relating to Vermont's career and technical education programs.

Bill Amended; Bill Passed**S. 310.**

Senate bill entitled:

An act relating to natural disaster government response, recovery, and resiliency.

Was taken up.

Thereupon, pending third reading of the bill, Senator Hardy moved to amend the bill as follows:

First: In Sec. 6, 20 V.S.A. chapter 181, in section 3173, monetary benefit, in subsection (a), after "for a payment of \$50,000.00", by striking out the words "up to"

Second: In Sec. 11, Vermont Emergency Management Division disaster preparedness review, in subsection (a), after "On or before June 30," by striking out "2024" and inserting in lieu thereof 2025

Which was agreed to.

Thereupon, the bill was read the third time and passed.

Bill Amended; Third Reading Ordered**S. 96.**

Senator Vyhovsky, for the Committee on Government Operations, to which was referred Senate bill entitled:

An act relating to privatization contracts.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 3 V.S.A. § 341 is amended to read:

§ 341. DEFINITIONS

* * *

(3) "Privatization contract" means a contract or grant for services valued at \$25,000.00 or more per year, which is the same or substantially similar to and in lieu of services previously provided, in whole or in part, by permanent, classified State employees, ~~and which results in a reduction in force of at least one permanent, classified employee, or the elimination of a vacant position of an employee covered by a collective bargaining agreement.~~

* * *

Sec. 2. 3 V.S.A. §§ 342 and 343 are amended to read:

§ 342. CONTRACTING STANDARDS; CONTRACTS FOR SERVICES

Each contract for services valued at \$25,000.00 or more per year shall require certification by the Office of the Attorney General to the Secretary of Administration that such contract for services is not contrary to the ~~spirit and~~ intent of the classification plan and merit system and standards of this title. A contract for services is contrary to the ~~spirit and~~ intent of the classification plan and merit system and standards of this title, and shall not be certified by the Office of the Attorney General as provided in this section, unless the provisions of subdivisions (1), (2), and (3) of this section are met, or one or more of the exceptions described in subdivision (4) of this section apply.

(1) The agency will not exercise supervision over the daily activities or methods and means by which the contractor provides services other than supervision necessary to ensure that the contractor meets performance expectations and standards; and

(2) The services provided are not the same as those provided by classified State employees within the agency; and

(3) The contractor customarily engages in an independently established trade, occupation, profession, or business; or

(4) Any of the following apply:

(A) The services are not available within the agency or are of such a highly specialized or technical nature that the necessary knowledge, skills, or expertise is not available within the agency.

(B) The services are incidental to a contract for purchase or lease of real or personal property.

(C) There is a demonstrated need for an independent audit, review, or investigation; or independent management of a facility is needed as a result of, or in response to, an emergency such as licensure loss or criminal activity.

(D) The State is not able to provide equipment, materials, facilities, or support services in the location where the services are to be performed in a cost-effective manner.

(E) The contract is for professional services, such as legal, engineering, or architectural services, that are typically rendered on a case-by-case or project-by-project basis, and the services are for a period limited to the duration of the project, normally not to exceed two years or provided on an intermittent basis for the duration of the contract.

(F) The need for services is urgent, temporary, or occasional, such that the time necessary to hire and train employees would render obtaining the services from State employees imprudent. Such contract shall be limited to 90 days' duration, with any extension subject to review and approval by the Secretary of Administration.

(G) Contracts for the type of services covered by the contract are specifically authorized by law.

(H) Efforts to recruit State employees to perform work, authorized by law, have failed in that no applicant meeting the minimum qualifications has applied for the job.

(I) The cost of obtaining the services by contract is lower than the cost of obtaining the same services by utilizing State employees. When comparing costs, the provisions of section 343 of this title shall apply.

§ 343. PRIVATIZATION CONTRACTS; PROCEDURE

(a) An agency shall not enter into a privatization contract unless all of the following are satisfied:

(1)(A) Thirty-five days prior to the beginning of any open bidding process, the agency provides written notice to the collective bargaining representative of the intent to seek to enter a privatization contract. During those 35 days, the collective bargaining representative shall have the

opportunity to discuss alternatives to contracting. Such alternatives may include amendments to the contract if mutually agreed upon by the parties. Notices regarding the bid opportunity may not be issued during the 35-day discussion period. The continuation of discussions beyond the end of the 35-day period shall not delay the issuance of notices.

(B) During this 35-day period, the agency shall prepare a specific written statement of the services proposed to be the subject of the privatization contract, including the specific quantity and standard or quality of the subject services. For each position in which a bidder will employ any person pursuant to a privatization contract and for which the duties are substantially similar to the duties performed by a permanent, classified State employee, the statement shall also include the prevailing wage rate to be paid for each position, which shall not be less than the average step of the grade under which the comparable State employee position is paid. This statement shall be provided to the collective bargaining representative, the Agency of Administration, and be posted where it is viewable to the public. This statement shall be subject to 1 V.S.A. chapter 5, subchapter 3 (Public Records Act).

* * *

(4) Every bid for a privatization contract shall include:

(A) the wage rate for each position, which shall not be less than the prevailing wage rate contained in the statement described in subdivision (1)(B) of this subsection (a); and

(B) whether health, dental, and vision insurance coverage is provided to employees and, if applicable, the cost to employees for such coverage;

(5) The Agency and the Secretary of Administration shall each certify in writing that:

(A) they have complied with all provisions of this section and with all other applicable laws;

(B) the quality of the services to be provided by the designated bidder is likely to satisfy the quality requirements of the statement prepared pursuant to subdivision (1) of this subsection (a);

(C) the designated bidder and its supervisory employees, while in the employ of the designated bidder, have no record of substantial or repeated willful noncompliance with any relevant federal or State regulatory statute, including statutes concerning labor relations, occupational safety and health, nondiscrimination and affirmative action, environmental protection, and conflicts of interest; and

(D) the proposed privatization contract is in the public interest in that it meets the applicable quality and fiscal standards set forth in this section.

(b) Each privatization contract shall include:

(1) the wage rate for each position, which shall not be less than the prevailing wage rate contained in the statement described in subdivision (a)(1) of this section;

(2) a provision that the cost and coverage of the health, dental, and vision insurance provided to employees is substantially similar to the cost and coverage of the health, dental, and vision insurance provided to State employees;

(3) a provision that the contractor shall submit quarterly payroll records to the agency, which lists the hours worked and the hourly wage paid for each employee in the previous quarter;

(4) a provision that the agency shall not amend any privatization contract if the amendment has the purpose or effect of voiding any requirement of this section;

(5) a provision requiring the contractor to comply with a policy of nondiscrimination and equal opportunity for all persons and to take affirmative steps to provide such equal opportunity for all persons;

(6) a provision granting all employees employed under the contract just cause employment protection; and

(7) a provision requiring the contractor to comply with a policy of whistleblower protection equal to those defined in sections 971–978 of this title.

~~(b)(c)~~(1) A privatization contract shall contain specific performance measures regarding quantity, quality, and results and guarantees regarding the services performed.

(2) The agency shall provide information in the State's Workforce Report on the contractor's compliance with the specific performance measures set out in the contract.

(3) The agency may not renew the contract if the contractor fails to comply with the specific performance measures set out in the contract as required by subdivision (1) of this subsection.

~~(e)~~(d)(1) Before an agency may renew a privatization contract for the first time, the Auditor of Accounts shall review the privatization contract, along with employer payroll and benefits records, analyzing whether it is achieving:

(A) the ~~10 percent~~ cost-savings requirement set forth in subdivision (a)(2) of this section; and

(B) the performance measures incorporated into the contract as required under subdivision ~~(b)(c)~~(1) of this section.

(2) If the Auditor of Accounts finds that a privatization contract has not achieved the cost savings required under subdivision (a)(2) of this section or complied with performance measures required under subdivision ~~(b)(c)~~(1) and subdivision (d)(1) of this section, the Auditor of Accounts shall file a report with the agency and the House Committee on Government Operations and Military Affairs and Senate Committees Committee on Government Operations, and the agency shall not renew the privatization contract review whether to renew the privatization contract or perform the work with State employees.

Sec. 3. 3 V.S.A. § 343(a)(2) is amended to read:

(2) The proposed contract is projected to result in overall cost savings to the State of at least ~~10~~ 20 percent above the projected cost of having the services provided by classified State employees.

Sec. 4. FISCAL AND OPERATIONAL IMPACT OF PRIVATIZATION CONTRACT CHANGES

(a) The Agency of Administration, in consultation with the Joint Fiscal Office, shall assess the fiscal and operational impacts of:

(1) modifying the definition of “privatization contract”; and

(2) increasing the required cost savings of a privatized contract from 10 percent to 20 percent, as set forth in this act.

(b) The Agency 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 with its analysis conducted pursuant to this section on or before January 15, 2025.

Sec. 5. EFFECTIVE DATE

This act shall take effect on passage, except that Sec. 1 and Sec. 3 shall take effect on July 1, 2025.

And that when so amended the bill ought to pass.

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Government Operations, with further amendment thereto:

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

Sec. 1. FISCAL AND OPERATIONAL IMPACT OF PRIVATIZATION
CONTRACT CHANGES

(a) The Agency of Administration, in consultation with the Joint Fiscal Office, the State Auditor, and the Office of the Attorney General, shall assess the fiscal and operational impacts of:

(1) modifying the definition of "privatization contract" as set forth in 3 V.S.A. § 341, to:

(A) require that grants be included in privatization contracts; and

(B) remove the requirement that a privatization contract result in:

(i) the reduction in force of at least one permanent, classified employee; or

(ii) the elimination of a vacant position of an employee covered by a collective bargaining agreement;

(2) increasing the required cost savings of a privatization contract from 10 percent to 20 percent;

(3) requiring that contractors subject to a privatized contract pay their employees performing work pursuant to a privatized contract either the prevailing wage rate for such work as set by the U.S. Department of Labor, or the same wage rate as a State employee performing a substantially similar task would receive;

(4) requiring that contractors subject to a privatized contract offer their employees performing work pursuant to a privatized contract health benefits that are substantially similar to health benefits provided to State employees; and

(5) removing exceptions set forth in 3 V.S.A. § 342(4) that, after review, are used excessively or arbitrarily to certify privatized contracts by the Office of the Attorney General.

(b) The Agency shall submit a written report to the General Assembly with its analysis conducted pursuant to this section on or before February 1, 2025.

Sec. 2. 3 V.S.A. § 342 is amended to read:

§ 342. CONTRACTING STANDARDS; CONTRACTS FOR SERVICES

Each contract for services valued at \$25,000.00 or more per year shall require certification by the Office of the Attorney General to the Secretary of Administration that such contract for services is not contrary to the spirit and

intent of the classification plan and merit system and standards of this title. A contract for services is contrary to the ~~spirit and~~ intent of the classification plan and merit system and standards of this title, and shall not be certified by the Office of the Attorney General as provided in this section, unless the provisions of subdivisions (1), (2), and (3) of this section are met, or one or more of the exceptions described in subdivision (4) of this section apply.

* * *

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of the Committee on Government Operations was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, was agreed to and third reading of the bill was ordered.

Proposed Amendment to the Constitution Amended; Proposed Amendment to the Constitution Adopted

The report of the Committee on Economic Development, Housing and General Affairs, on Proposed Amendment to the Constitution designated as Proposal 3.

Was taken up.

Senator Harrison for the Committee on Economic Development, Housing and General Affairs, to which was referred the proposed amendment, reported that the committee had considered Proposal 3, which is printed in full below:

Thereupon, Proposal 3, having appeared on the Calendar for five legislative days pursuant to Rule 77, was read the second time in full pursuant to Rule 77,

PROPOSAL 3

Sec. 1. PURPOSE

This proposal would amend the Constitution of the State of Vermont to provide that the citizens of the State have a right to collectively bargain.

Sec. 2. Article 23 of Chapter I of the Vermont Constitution is added to read:

Article 23. [Right to collectively bargain]

That employees have a right to organize or join a labor organization for the purpose of collectively bargaining with their employer through an exclusive representative of their choosing for the purpose of negotiating wages, hours, and working conditions and to protect their economic welfare and safety in the workplace, and that a labor organization chosen to represent a group of employees shall have the right to collect dues from its members. Therefore, no law shall be adopted that interferes with, negates, or diminishes the right of employees to collectively bargain with respect to wages, hours, and other terms and conditions of employment and workplace safety, or that prohibits the application or execution of an agreement between an employer and a labor organization representing the employer's employees that requires membership in the labor organization as a condition of employment.

Sec. 3. EFFECTIVE DATE

The amendment set forth in this proposal 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.

Senator Harrison, for the Committee on Economic Development, Housing and General Affairs to which was referred Proposal 3, reported that Proposal 3 to the Constitution of the State of Vermont be amended by striking out the proposal in its entirety and inserting in lieu thereof the following:

PROPOSAL 3

Sec. 1. PURPOSE

This proposal would amend the Constitution of the State of Vermont to provide that the citizens of the State have a right to collectively bargain.

Sec. 2. Article 23 of Chapter I of the Vermont Constitution is added to read:

Article 23. [Right to collectively bargain]

That employees have a right to organize or join a labor organization for the purpose of collectively bargaining with their employer through an exclusive representative of their choosing for the purpose of negotiating wages, hours, and working conditions and to protect their economic welfare and safety in the workplace. Therefore, no law shall be adopted that interferes with, negates, or diminishes the right of employees to collectively bargain with respect to wages, hours, and other terms and conditions of employment and workplace safety, or that prohibits the application or execution of an agreement between an employer and a labor organization representing the employer's employees that requires membership in the labor organization as a condition of employment.

Sec. 3. EFFECTIVE DATE

The amendment set forth in this proposal 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.

Thereupon, the pending question, Shall the Proposed Amendment to the Constitution designated as Proposal 3 be amended as recommended by the Committee on Economic Development, Housing and General Affairs?, was decided in the affirmative on a roll call, pursuant to Rules 77 and 80, Yeas 29, Nays 0 (the necessary majority vote having been attained).

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Brock, Champion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, 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: Mazza.

Thereupon, the pending question, Shall the Senate adopt the Proposal of Amendment to the Constitution (as amended) as recommended by the Committee on Economic Development, Housing and General Affairs and request the concurrence of the House?, was decided in the affirmative on roll call pursuant to the Vermont Constitution and Rule 80, Yeas 29, Nays 0 (the necessary two-thirds vote having been attained).

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Brock, Champion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, 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: Mazza.

Bill Amended; Bill Passed**S. 259.**

Senate bill entitled:

An act relating to climate change cost recovery.

Was taken up.

Thereupon, pending third reading of the bill, Senators Sears and Kitchel moved to amend the bill as follows:

First: In Sec. 2, 10 V.S.A. chapter 24A, by striking out section 599b in its entirety and inserting in lieu thereof a new section 599b to read as follows:

§ 599b. CLIMATE CHANGE COST RECOVERY PROGRAM AUDIT

Beginning on January 1, 2031 and every five years thereafter, the State Auditor shall evaluate the operation and effectiveness of the Climate Superfund Cost Recovery Program. The Auditor shall make recommendations to the Agency on ways to increase program efficacy and cost-effectiveness. The Auditor shall submit the results of the audit to the Senate Committees on Natural Resources and Energy and on Judiciary and the House Committees on Environment and Energy and on Judiciary. The State Auditor shall be reimbursed from the Climate Superfund Cost Recovery Program Fund for any costs associated with hiring technical expertise necessary to complete the audits required under this section.

Second: In Sec. 2, 10 V.S.A. chapter 24A, in section 599, in subdivision (b)(1)(B), after “the Program” and before the semicolon, by inserting including the cost to the State Auditor associated with hiring technical expertise necessary to complete the audits required under section 599b of this title

Which was agreed to.

Thereupon, the bill was read the third time and passed, on a roll call, Yeas 26, Nays 3.

Senator Watson 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, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, *White, Wrenner.

Those Senators who voted in the negative were: Ingalls, Weeks, Williams.

The Senator absent and not voting was: Mazza.

*Senator White explained her vote as follows:

“I am proud to vote yes to respond to the greatest overarching existential threat of our time.”

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, April 3, 2024.

WEDNESDAY, APRIL 3, 2024

Pursuant to the Senate Rules, in the absence of the President, the Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 39

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 883. An act relating to making appropriations for the support of government.

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

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the third day of April, 2024, he returned without signature and *vetoed* a bill originating in the Senate of the following title:

S.18 An act relating to banning flavored tobacco products and e-liquids.

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. S. 18** to the Senate is as follows:

“April 3, 2024

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.18, *An act relating to banning flavored tobacco products and e-liquids*, without my signature because of my objections described herein.

Admittedly, I’ve struggled with this bill, as it seems hypocritical and out of step with other initiatives that have passed into law recently and over time.

To be clear, I too feel we have an obligation to protect our children, but it must be balanced in such a way that we honor the rights and freedoms of adults to make decisions about their individual lives.

That’s why, in 2019, I signed a bill raising the legal age to buy tobacco or e-cigarette products from 18 to 21 and even increased a tax on some of those products to deter use. In my mind, these were reasonable steps that struck the right balance.

From my perspective, this bill is inconsistent with other laws related to legalized substance use. In 2020, the Legislature legalized the commercial sale of cannabis, including edibles and other flavored products, which are now widely available, despite the known risks to youth and their developing brains. Yet, to my knowledge, I’m not aware of an initiative to ban such products, even considering their obvious appeal to minors and negative health impacts.

In addition, we (the State) allow, and in fact actively advertise and profit from, the sale of flavored alcohol products. We also promote and highlight our distilleries and breweries with all their unique flavors, which has been incredibly successful, not only financially, but also from a branding and tourism standpoint. But it can’t be denied alcohol abuse has been the root cause of many societal challenges.

I’ve found people lose faith in government when policies have these types of inconsistencies, because they contradict common sense.

Furthermore, from a purely practical point of view, these products would continue to be widely available just across the river in New Hampshire, and through online sales.

Regardless of what becomes of this bill, the Legislature should direct the Attorney General and the Department of Liquor and Lottery to further crack down on direct online sales to minors.

In conclusion, I'm not convinced the in-state prohibition of flavored tobacco, e-liquids and tobacco substitutes only, is justified when sales will remain online, and when State law plainly encourages sales of other unhealthy adult products to continue.

Sincerely,

Philip B. Scott
Governor

PBS/kp”

Rules Suspended; Bill Not Referred to Committee Appropriations

H. 543

Appearing on the Calendar for notice, and, pending referral of the bill to the Committee on Appropriations pursuant to Senate Rule 31, Senator Kitchel moved that the rules be suspended and the Senate bill entitled:

An act relating to Vermont's adoption of the Social Work Licensure Compact.

Not be referred to the Committee on Appropriations pursuant to Senate Rule 31 (and thereby remain on the Calendar for notice),

Which was agreed to.

Bill Referred to Committee on Appropriations

H. 247.

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 Vermont's adoption of the Occupational Therapy Licensure Compact.

Bill Referred

House bill of the following title was read the first time and referred:

H. 883.

An act relating to making appropriations for the support of government.

To the Committee on Appropriations.

Bill Amended; Bill Passed

S. 96.

Senate bill entitled:

An act relating to privatization contracts.

Was taken up.

Thereupon, pending third reading of the bill, Senators Vyhovsky, Hardy, Watson and White moved to amend the bill in Sec. 1, fiscal and operational impact of privatization contract changes, in subsection (a), following “in consultation with the Joint Fiscal Office, the State Auditor,” by inserting the Vermont State Employees’ Association,

Which was agreed to.

Thereupon, the bill was read the third time and passed.

Adjournment

On motion of Senator Clarkson, the Senate adjourned until one o’clock in the afternoon on Thursday, April 4, 2024.

THURSDAY, APRIL 4, 2024

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. 40

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 657. An act relating to the modernization of Vermont’s communications taxes and fees.

H. 829. An act relating to long-term housing solutions.

H. 871. An act relating to the development of an updated State aid to school construction program.

H. 875. An act relating to the State Ethics Commission and the State Code of Ethics.

H. 879. An act relating to the Emergency Temporary Shelter Program.

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

Bills Referred

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

H. 657.

An act relating to the modernization of Vermont's communications taxes and fees.

To the Committee on Finance.

H. 829.

An act relating to long-term housing solutions.

To the Committee on Economic Development, Housing and General Affairs.

H. 871.

An act relating to the development of an updated State aid to school construction program.

To the Committee on Education.

H. 875.

An act relating to the State Ethics Commission and the State Code of Ethics.

To the Committee on Government Operations.

H. 879.

An act relating to the Emergency Temporary Shelter Program.

To the Committee on Health and Welfare.

Bill Amended, Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence with Proposal of Amendment; Bill Messaged**H. 543.**

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 Social Work Licensure Compact.

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 out to pass in concurrence.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be read a third time?, Senators Kitchel and Lyons moved to propose to the House to amend the bill by adding a new Sec. 3 and a Sec. 4 after the existing Sec. 2 to read as follows:

Sec. 3. LEGISLATIVE INTENT; EMERGENCY HOUSING ELIGIBILITY DOCUMENTATION

It is the intent of the General Assembly that in fiscal year 2024 documentation of a qualifying disability or health condition pursuant to 2024 Acts and Resolves No. 87, Sec. 89(b) shall require the certification of a health care provider as defined in 18 V.S.A. § 9481.

Sec. 4. 2024 Acts and Resolves No. 87, Sec. 89(b) is amended to read:

(b) A household that is otherwise eligible for temporary emergency housing pursuant to subsection (a) of this section, but for the inability to qualify for or document receipt of SSI or SSDI, may use ~~the Department's Emergency Housing Disability Variance Request Form~~ a form developed by the Department as a means of documenting a qualifying disability or health condition that requires:

(1) the applicant's name, date of birth, and the last four digits of the applicant's social security number;

(2) a description of the applicant's disability or health condition;

(3) a description of the risk posed to the applicant's health, safety, or welfare if temporary emergency housing is not authorized pursuant to this section; and

(4) a certification of a health care provider, as defined in 18 V.S.A. § 9481, that includes the provider's credentials, credential number, address, and phone number.

and by renumbering the remaining section to be numerically correct.

Which was agreed to.

Thereupon, the pending question, Shall the bill be read a third time?, was agreed to.

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was placed on all remaining stages of its passage.

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

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

Message from the House No. 41

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 862. An act relating to approval of amendments to the charter of the Town of Barre.

H. 874. An act relating to miscellaneous changes in education laws.

H. 876. An act relating to miscellaneous amendments to the corrections laws.

H. 882. An act relating to capital construction and State bonding budget adjustment.

H. 884. An act relating to the modernization of governance for the St. Albans Cemetery Association.

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. 278. An act relating to prohibiting a comparative negligence defense in an action for a negligence claim relating to a sexual act or sexual conduct.

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 joint resolution originating in the Senate of the following title:

J.R.S. 51. Joint resolution relating to weekend adjournment on April 5, 2024.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, APRIL 5, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Derrick Fallon of Jericho.

Appointment of Senate Members to Joint Rules Committee

The President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Joint Rules Committee for terms of two years pursuant to the provisions of Joint Rule No. 5:

Senator Baruth, *ex officio*
[Senator Mazza]
Senator Brock
Senator Clarkson
Senator Kitchel

Appointment of Senate Members to Joint Fiscal Committee

Pursuant to the provisions of 2 V.S.A. § 501, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Joint Fiscal Committee for terms of two years:

Senator Cummings, *ex officio*
Senator Kitchel, *ex officio*
[Senator Baruth]
Senator Perchlik
Senator Sears
Senator Westman

Bills Referred

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

H. 862.

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

To the Committee on Government Operations.

H. 874.

An act relating to miscellaneous changes in education laws.

To the Committee on Education.

H. 876.

An act relating to miscellaneous amendments to the corrections laws.

To the Committee on Institutions.

H. 882.

An act relating to capital construction and State bonding budget adjustment.
To the Committee on Institutions.

H. 884.

An act relating to the modernization of governance for the St. Albans Cemetery Association.

To the Committee on Government Operations.

Appointment Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator Hardy, the following Gubernatorial appointment was confirmed by the Senate, without a report given by the Committee to which it was referred and without debate:

Gomez, Christopher of Rutland - Commissioner, Vermont Housing Finance Agency - March 1, 2024 to February 29, 2028.

Was confirmed by the Senate.

Appointment Confirmed

The following Gubernatorial appointment was confirmed separately by the Senate, upon a full report given by the Committee to which it was referred:

The nomination of

Gallagher, Kate T. of Williston - Superior Court Judge - March 1, 2024 to March 31, 2029.

Was confirmed by the Senate on a roll call, Yeas 26, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Brock, Champion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Lyons, MacDonald, McCormack, Norris, 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: Kitchel, Mazza, Perchlik, Ram Hinsdale.

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. Mihaly and Masland,

By Senator Vyhovsky,

H.C.R. 201.

House concurrent resolution honoring Cindy Scott's third-grade class at Twinfield Union School for establishing a special friendship with the young patients at St. Nicholas Pediatric Hospital-UNBROKEN KIDS Rehabilitation Center in Lviv, Ukraine.

By Reps. Burke and others,

By Senators Harrison and Hashim,

H.C.R. 202.

House concurrent resolution congratulating Esta Broutsas Smith of Brattleboro on her centennial birthday.

By Reps. O'Brien and Mihaly,

By Senators Cummings, Perchlik and Watson,

H.C.R. 203.

House concurrent resolution congratulating former Representative and Unadilla Theater impresario William Blachly of Calais on his 100th birthday.

By Reps. Austin and others,

By Senator Mazza,

H.C.R. 204.

House concurrent resolution congratulating Jaden Coppins of Colchester on her individual title victory at the inaugural New England girls' wrestling championship.

By Reps. Nicoll and others,

H.C.R. 205.

House concurrent resolution celebrating the 40th anniversary of the Catamount Trail.

By Reps. Rachelson and others,

By Senators Baruth, Chittenden, Gulick, Lyons, Ram Hinsdale, Vyhovsky and Wrenner,

H.C.R. 206.

House concurrent resolution honoring the professional achievements of child and victim advocate Sally Borden.

By Reps. Roberts and others,

H.C.R. 207.

House concurrent resolution recognizing May 5–11, 2024 as National Correctional Officers and Employees Week in Vermont.

By Reps. Burke and others,

H.C.R. 208.

House concurrent resolution congratulating the Allard Lumber Company of Brattleboro on its 50th anniversary.

By Reps. Goslant and others,

H.C.R. 209.

House concurrent resolution honoring Northfield Elementary School physical education instructor Michael Gonneville for his teaching excellence and for the establishment of the school's Walking Wednesdays.

By Reps. Morrissey and others,

H.C.R. 210.

House concurrent resolution congratulating the 2024 Grace Christian Lions Division IV championship boys' basketball team.

By Reps. Jerome and others,

H.C.R. 211.

House concurrent resolution designating April 11, 2024 as Tourism Economy Day at the State House.

By Reps. Austin and others,

By Senators Baruth, Chittenden, Gulick, Lyons, Mazza, Ram Hinsdale, Vyhovsky and Wrenner,

H.C.R. 212.

House concurrent resolution congratulating the 2024 Burlington-Colchester Division I championship SeaLakers girls' ice hockey team.

By Rep. Stevens,

H.C.R. 213.

House concurrent resolution congratulating the Vermont Housing Finance Agency on its 50th anniversary.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, April 9, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 51.

TUESDAY, APRIL 9, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Father Patrick Forman of Montpelier.

Pledge of Allegiance

The President then led the members of the Senate in the pledge of allegiance.

Resignation of Senator

The following communication was received by the Secretary from the Honorable Richard T. Mazza, Senator from the Grand Isle District, notifying the Senate of his resignation from the Senate, which letter is as follows:

“April 8, 2024

Governor Phil Scott
109 State Street, Pavilion
Montpelier, VT 05609

Dear Governor Scott,

After thoughtful consideration, it is with great sadness that I submit to you this formal letter of resignation as Vermont State Senator of Colchester and Grand Isle County effective today, Monday, April 8, 2024.

Due to health reasons, I am unable to provide the quality of service and dedication I have always given to my constituents and the State of Vermont. Having dedicated representation has always been one of my top priorities and I believe the people I serve deserve someone who can provide their full attention to this critical position.

It has been the privilege of a lifetime to represent Colchester and Grand Isle County in Montpelier for over 42 years, including the last 39 in the Vermont State Senate. Each of those days I considered it an honor that Vermonters have trusted me with their stories and had faith that I would act on their behalf, regardless of party affiliation or politics.

It is with considerable pride that I have held various positions within the State House over the years, including Dean of the Senate, Chair of the Senate Committee on Transportation, Vice Chair of Senate Committee on Institutions, and the third member of the Committee on Committees.

For more than 40 years, the moments spent in the Vermont State House have been exceptionally gratifying and rewarding, and many of the people in it have become lifelong friends.

It is my hope that whoever you appoint to represent the citizens in these districts will continue to have their best interest at heart and be an involved servant. I am happy to assist with the transition process in any way I can.

My most sincere appreciation to the voters in Colchester and Grand Isle County for placing their trust in me, and to those in the Vermont State House for their respect and support over the years.

Respectfully,

/s/ Richard T. Mazza

Richard T. Mazza

State Senator

Grand Island District

Cc: John Bloomer, Secretary of the Senate
David Zuckerman, Lt. Governor
Philip Baruth, President *pro tempore*”

Message from the House No. 42

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 190. An act relating to statements made by a child victim of an offense involving serious bodily injury.

And has passed the same in concurrence.

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

H.C.R. 201. House concurrent resolution honoring Cindy Scott's third-grade class at Twinfield Union School for establishing a special friendship with the young patients at St. Nicholas Pediatric Hospital-UNBROKEN KIDS Rehabilitation Center in Lviv, Ukraine.

H.C.R. 202. House concurrent resolution congratulating Esta Broutsas Smith of Brattleboro on her centennial birthday.

H.C.R. 203. House concurrent resolution congratulating former Representative and Unadilla Theater impresario William Blachly of Calais on his 100th birthday.

H.C.R. 204. House concurrent resolution congratulating Jaden Coppins of Colchester on her individual title victory at the inaugural New England girls' wrestling championship.

H.C.R. 205. House concurrent resolution celebrating the 40th anniversary of the Catamount Trail.

H.C.R. 206. House concurrent resolution honoring the professional achievements of child and victim advocate Sally Borden.

H.C.R. 207. House concurrent resolution recognizing May 5–11, 2024 as National Correctional Officers and Employees Week in Vermont.

H.C.R. 208. House concurrent resolution congratulating the Allard Lumber Company of Brattleboro on its 50th anniversary.

H.C.R. 209. House concurrent resolution honoring Northfield Elementary School physical education instructor Michael Gonneville for his teaching excellence and for the establishment of the school's Walking Wednesdays.

H.C.R. 210. House concurrent resolution congratulating the 2024 Grace Christian Lions Division IV championship boys' basketball team.

H.C.R. 211. House concurrent resolution designating April 11, 2024 as Tourism Economy Day at the State House.

H.C.R. 212. House concurrent resolution congratulating the 2024 Burlington-Colchester Division I championship SeaLakers girls' ice hockey team.

H.C.R. 213. House concurrent resolution congratulating the Vermont Housing Finance Agency on its 50th anniversary.

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

Senate Resolution Referred**S.R. 18.**

Senate resolution of the following title was offered, read the first time by title and is as follows:

By Senators Clarkson, Baruth, Cummings, Kitchel, McCormack, Perchlik, Ram Hinsdale, Westman, and White,

S.R. 18. Senate resolution relating to reaffirming the importance of the friendship and strong bilateral relationships between the United States and the Republic of China (Taiwan) and between the State of Vermont and the Republic of China (Taiwan) and supporting Taiwan's greater participation in more multinational organizations.

Whereas, the United States and the Republic of China (Taiwan) share a vibrant and mutually beneficial bilateral relationship based on our commonly held values of freedom, democracy, the rule of law, and a free market economy, and the relationship is as strong as ever, and

Whereas, the January 2024 election of Dr. Lai Ching-te as the new President of Taiwan demonstrates the vibrancy of Taiwan's democracy, and

Whereas, according to the latest data, the United States is Taiwan's second-largest trading partner, and Taiwan is the United States' eighth-largest trading partner, and

Whereas, in 2023, Taiwan was the seventh-largest consumer of U.S. agricultural goods, totaling \$3.7 billion, and the overall two-way trade in goods between the United States and Taiwan totaled approximately \$127.5 billion, and

Whereas, 2024 marks the 45th Anniversary of the Taiwan Relations Act, Pub. L. No. 96-8, which has served as the cornerstone of U.S.-Taiwan relations, and

Whereas, the Government of Taiwan desires to enter into Bilateral Trade and Avoidance of Double Taxation agreements with the United States, and

Whereas, Vermont and Taiwan have long enjoyed productive bilateral relations: in 2023, Taiwan was the second-largest export destination for Vermont goods worth approximately \$218.2 million, and Vermont imported an estimated \$71.18 million in goods from Taiwan; and, in 2020, the establishment of a driver's license reciprocity agreement was an important incentive for travel between the two jurisdictions, and

Whereas, Taiwan also wishes to enter into a memorandum of understanding with the State of Vermont to increase the scope of educational exchanges and cooperation between the two jurisdictions, and

Whereas, Taiwan seeks to participate in international bodies such as the International Civil Aviation Organization, the World Health Organization, the United Nations Framework Convention on Climate Change, and the International Criminal Police Organization (INTERPOL), *now therefore be it*

Resolved by the Senate:

That the Senate of the State of Vermont reaffirms the importance of the friendship and strong bilateral relationships between the United States and the Republic of China (Taiwan) and between the State of Vermont and the Republic of China (Taiwan) and supports Taiwan's participation in more multinational organizations, *and be it further*

Resolved: That the Senate of the State of Vermont supports the establishment of a memorandum of understanding between the Republic of China (Taiwan) and the State of Vermont for educational exchanges and cooperation, *and be it further*

Resolved: That the Secretary of the Senate be directed to send a copy of this resolution to President Joseph R. Biden, President Lai Ching-te of the Republic of China (Taiwan), Director-General Charles Liao of the Taipei Economic and Cultural Office in Boston, Governor Philip B. Scott, and to the Vermont Congressional Delegation.

Thereupon, the President, in his discretion, treated the joint resolution as a bill and referred it to the Committee on Economic Development, Housing and General Affairs.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 52.

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. 52. Joint resolution relating to weekend adjournment on April 12, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 12, 2024, it be to meet again no later than Tuesday, April 16, 2024.

House Proposal of Amendment Concurred In**S. 278.**

House proposal of amendment to Senate bill entitled:

An act relating to prohibiting a comparative negligence defense in an action for a negligence claim relating to a sexual act or sexual conduct.

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. 12 V.S.A. § 1036 is amended to read:

§ 1036. CONTRIBUTORY AND COMPARATIVE NEGLIGENCE

(a) Contributory negligence shall not bar recovery in an action by any plaintiff, or ~~his or her~~ the plaintiff's legal representative, to recover damages for negligence resulting in death, personal injury, or property damage, if the negligence was not greater than the causal total negligence of the defendant or defendants, but the damage shall be diminished by general verdict in proportion to the amount of negligence attributed to the plaintiff. Where recovery is allowed against more than one defendant, each defendant shall be liable for that proportion of the total dollar amount awarded as damages in the ratio of the amount of ~~his or her~~ the defendant's causal negligence to the amount of causal negligence attributed to all defendants against whom recovery is allowed.

(b) Contributory and comparative negligence shall be prohibited as a defense to limit a plaintiff's recovery for damages in an action for a negligence claim relating to a sexual act as defined in 13 V.S.A. § 3251 or sexual conduct as defined in 13 V.S.A. § 2821.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

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

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, April 10, 2024.

WEDNESDAY, APRIL 10, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Rabbi Tobie Weisman of Montpelier.

Committee Relieved of Further Consideration; Bill Committed**H. 876**

On motion of Senator Ingalls, the Committee on Institutions was relieved of further consideration of House bill entitled:

An act relating to miscellaneous amendments to the corrections laws.

And the bill was committed to the Committee on Judiciary.

Bills Referred to Committee on Finance

House bills of the following titles, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule were severally referred to the Committee on Finance:

H. 847. An act relating to peer support provider and recovery support specialist certification.

H. 868. An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

Bill Referred to Committee on Appropriations**H. 861.**

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 reimbursement parity for health care services delivered in person, by telemedicine, and by audio-only telephone.

Third Reading Ordered**H. 603.**

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

An act relating to the poultry slaughter exception to inspection.

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. 621.

Senator Hardy, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to health insurance coverage for diagnostic breast imaging.

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. 741.

Senator Gulick, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to health insurance coverage for colorectal cancer screening.

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. 694.**

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

An act relating to sexual exploitation.

Reported recommending that the Senate propose to the House to amend the bill by inserting a new section to be Sec. 3a to read as follows:

Sec. 3a. VERMONT SENTENCING COMMISSION; DEFINITIONS;
SEXUALLY BASED OFFENSES

(a) The Vermont Sentencing Commission shall review definitions in 13 V.S.A. chapters 59 (lewdness and prostitution), 64 (sexual exploitation of children), and 72 (sexual assault) for the purpose of updating and harmonizing the definitions as they are used in those chapters. As part of the review, the Commission shall, in particular, consider the definitions of “sexual conduct” as defined in 13 V.S.A. § 2821 and “sexual act” as defined in 13 V.S.A. § 3251.

(b) The Commission shall report its recommendations for legislative consideration to the Senate and House Committees on Judiciary on or before December 1, 2024.

And 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.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, April 11, 2024.

THURSDAY, APRIL 11, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Seiso Paul Cooper of Barre.

Message from the House No. 43

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 869. An act relating to approval of the merger of Brandon Fire District No. 1 and Brandon Fire District No. 2.

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

Bill Referred

House bill of the following title was read the first time and referred:

H. 869.

An act relating to approval of the merger of Brandon Fire District No. 1 and Brandon Fire District No. 2.

To the Committee on Government Operations.

Bills Passed in Concurrence

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

H. 603. An act relating to the poultry slaughter exception to inspection.

H. 621. An act relating to health insurance coverage for diagnostic breast imaging.

Bill Passed in Concurrence with Proposal of Amendment**H. 694.**

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

An act relating to sexual exploitation.

Bill Passed in Concurrence**H. 741.**

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

An act relating to health insurance coverage for colorectal cancer screening.

Proposal of Amendment; Third Reading Ordered**H. 666.**

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

An act relating to escrow deposit bonds.

Reported that the bill ought to pass in concurrence.

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon, pending the question, Shall the bill be read a third time?, Senators Cummings, Brock, Clarkson, Harrison and Ram Hinsdale moved that the Senate propose to the House to amend the bill as follows

In Sec. 1, 27A V.S.A. § 4-110, in subdivision (b)(1), following “and the declarant”, by striking out the words “discloses the identity of the issuer of the surety bond to the purchaser” and inserting in lieu thereof the words provides the purchaser with a copy of the surety bond under which the purchaser’s deposit is protected

Which was agreed to.

Thereupon, third reading of the bill was ordered.

Third Reading Ordered**H. 363.**

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

An act relating to prohibiting discrimination based on certain hair types and styles.

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. 40.

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

An act relating to nonconsensual removal of or tampering with a condom.

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. 12 V.S.A. § 1043 is added to read:

§ 1043. NONCONSENSUAL REMOVAL OF OR TAMPERING WITH A CONDOM

(a) No person shall intentionally and without consent remove or tamper with a condom prior to or during a sexual act in a manner likely to render it ineffective for its common purpose when consent to the sexual act is given by the other person with the explicit understanding that a condom would be used.

(b) A person harmed by a violation of subsection (a) of this section may bring an action in the Civil Division of the Superior Court for compensatory damages, punitive damages, and reasonable costs and attorney's fees.

(c) An action under subsection (b) of this section shall be subject to the statute of limitations in section 511 of this title.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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.

Bill Recommended

Appearing on the Calendar for action, Senator Baruth moved that Senate Bill entitled

S. 18. An act relating to banning flavored tobacco products and e-liquids.
Be recommitted to the Committee on Health and Welfare,
Which was agreed to.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, APRIL 12, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Diane Nancekivell of Middlebury.

Message from the House No. 44

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 52. Joint resolution relating to weekend adjournment on April 12, 2024.

And has adopted the same in concurrence.

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

H. 659. An act relating to captive insurance.

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

Bill Referred to Committee on Appropriations

H. 629.

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 changes to property tax abatement and tax sales.

Bill Passed in Concurrence with Proposal of Amendment**H. 40.**

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

An act relating to nonconsensual removal of or tampering with a condom.

Bill Passed in Concurrence**H. 363.**

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

An act relating to prohibiting discrimination based on certain hair types and styles.

Bill Passed in Concurrence with Proposal of Amendment**H. 666.**

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

An act relating to escrow deposit bonds.

Third Reading Ordered**H. 664.**

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

An act relating to designating a State Mushroom.

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. 563.**

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

An act relating to criminal motor vehicle offenses involving unlawful trespass, theft, or unauthorized operation

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

Sec. 1. 13 V.S.A. § 3705 is amended to read:

§ 3705. UNLAWFUL TRESPASS

(a)(1) A person shall be imprisoned for not more than three months or fined not more than \$500.00, or both, if, without legal authority or the consent of the person in lawful possession, ~~he or she~~ the person enters or remains on any land or in any place as to which notice against trespass is given by:

(A) actual communication by the person in lawful possession or ~~his or her~~ the person's agent or by a law enforcement officer acting on behalf of such person or ~~his or her~~ the person's agent;

(B) signs or placards so designed and situated as to give reasonable notice; or

(C) in the case of abandoned property:

(i) signs or placards, posted by the owner, the owner's agent, or a law enforcement officer, and so designed and situated as to give reasonable notice; or

(ii) actual communication by a law enforcement officer.

(2) As used in this subsection, "abandoned property" means:

(A) real property on which there is a vacant structure that for the previous 60 days has been continuously unoccupied by a person with the legal right to occupy it and with respect to which the municipality has by first-class mail to the owner's last known address provided the owner with notice and an opportunity to be heard; and

(i) property taxes have been delinquent for six months or more; or

(ii) one or more utility services have been disconnected; or

(B) a railroad car that for the previous 60 days has been unmoved and unoccupied by a person with the legal right to occupy it.

(b) Prosecutions for offenses under subsection (a) of this section shall be commenced within 60 days following the commission of the offense and not thereafter.

(c) A person who enters the motor vehicle of another and knows that the person does not have legal authority or the consent of the person in lawful possession of the motor vehicle to do so shall be imprisoned not more than three months or fined not more than \$500.00, or both. For a second or subsequent offense, a person who violates this subsection shall be imprisoned not more than one year or fined not more than \$500.00, or both. Notice against trespass shall not be required under this subsection.

(d) A person who enters a building other than a residence, whose access is normally locked, whether or not the access is actually locked, or a residence in violation of an order of any court of competent jurisdiction in this State shall be imprisoned for not more than one year or fined not more than \$500.00, or both.

~~(d)~~(e) A person who enters a dwelling house, whether or not a person is actually present, knowing that ~~he or she~~ the person is not licensed or privileged to do so shall be imprisoned for not more than three years or fined not more than \$2,000.00, or both.

~~(e)~~(f) A law enforcement officer shall not be prosecuted under subsection (a) of this section if ~~he or she~~ the law enforcement officer is authorized to serve civil or criminal process, including citations, summons, subpoenas, warrants, and other court orders, and the scope of ~~his or her~~ the law enforcement officer's entrance onto the land or place of another is ~~no~~ not more than necessary to effectuate the service of process.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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.

Message from the House No. 45

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 25. An act relating to regulating cosmetic and menstrual products containing certain chemicals and chemical classes and textiles and athletic turf fields containing perfluoroalkyl and polyfluoroalkyl substances.

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. 543. An act relating to Vermont's adoption of the Social Work Licensure Compact.

And has concurred therein.

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

H.C.R. 214. House concurrent resolution congratulating the 2024 Hartford High School Hurricanes Division II championship boys' ice hockey team.

H.C.R. 215. House concurrent resolution congratulating the 2024 Hartford High School Hurricanes Division II championship girls' ice hockey team.

H.C.R. 216. House concurrent resolution congratulating the winning school teams of the 2024 Jr Iron Chef VT competition.

H.C.R. 217. House concurrent resolution recognizing April 18, 2024 as Electric Utility Lineworker Appreciation Day in Vermont.

H.C.R. 218. House concurrent resolution congratulating the Washington Electric Cooperative on its 85th anniversary.

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

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. Christie and Cole,

By Senators Clarkson, Collamore, McCormack and White,

H.C.R. 214.

House concurrent resolution congratulating the 2024 Hartford High School Hurricanes Division II championship boys' ice hockey team.

By Reps. Christie and Cole,

By Senators Clarkson, Collamore, McCormack and White,

H.C.R. 215.

House concurrent resolution congratulating the 2024 Hartford High School Hurricanes Division II championship girls' ice hockey team.

By Reps. Sabilia and others,

H.C.R. 216.

House concurrent resolution congratulating the winning school teams of the 2024 Jr Iron Chef VT competition.

By Rep. Noyes,

By Senator Westman,

H.C.R. 217.

House concurrent resolution recognizing April 18, 2024 as Electric Utility Lineworker Appreciation Day in Vermont.

By Rep. Patt,

By Senator Perchlik,

H.C.R. 218.

House concurrent resolution congratulating the Washington Electric Cooperative on its 85th anniversary.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, April 16, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 52.

TUESDAY, APRIL 16, 2024

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.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 53.

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. 53. Joint resolution relating to weekend adjournment on April 19, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 19, 2024, it be to meet again no later than Tuesday, April 23, 2024.

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 severally referred to the Committee on Appropriations:

H. 546. An act relating to administrative and policy changes to tax laws.

H. 868. An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

Bill Passed in Concurrence with Proposal of Amendment

H. 563.

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

An act relating to criminal motor vehicle offenses involving unlawful trespass, theft, or unauthorized operation.

Bill Passed in Concurrence

H. 664.

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

An act relating to designating a State Mushroom.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, April 17, 2024.

WEDNESDAY, APRIL 17, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Canon Lee Alison Crawford of Northfield.

Bill Referred to Committee on Appropriations**H. 649.**

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 the Vermont Truth and Reconciliation Commission.

Proposal of Amendment; Third Reading Ordered**H. 861.**

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

An act relating to reimbursement parity for health care services delivered in person, by telemedicine, and by audio-only telephone.

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. 8 V.S.A. § 4100I is amended to read:

§ 4100I. COVERAGE OF HEALTH CARE SERVICES DELIVERED BY
AUDIO-ONLY TELEPHONE

* * *

(b)(1) A health insurance plan shall provide coverage for all medically necessary, clinically appropriate health care services delivered remotely by audio-only telephone to the same extent that the plan would cover the services if they were provided through in-person consultation. Services covered under this subdivision shall include services that are covered when provided in the home by home health agencies.

(2)(A) A health insurance plan shall provide the same reimbursement rate for services billed using equivalent procedure codes and modifiers, subject to the terms of the health insurance plan and provider contract, regardless of whether the service was provided through an in-person visit with the health care provider or by audio-only telephone.

(B) The provisions of subdivision (A) of this subdivision (2) shall not apply in the event that a health insurer and health care provider enter into a value-based contract for health care services that include care delivered by audio-only telephone.

(c) A health insurance plan may charge an otherwise permissible deductible, co-payment, or coinsurance for a health care service delivered by

audio-only telephone, provided that it does not exceed the deductible, co-payment, or coinsurance applicable to an in-person consultation.

~~(3)~~(d) A health insurance plan shall not require a health care provider to have an existing relationship with a patient in order to be reimbursed for health care services delivered by audio-only telephone.

Sec. 2. REPEAL; TELEMEDICINE REIMBURSEMENT PARITY SUNSET

2020 Acts and Resolves No. 91, Sec. 27 (repealing 8 V.S.A. § 4100k(a)(2), telemedicine reimbursement parity, on January 1, 2026) is repealed.

Sec. 3. 2024 Acts and Resolves No. 82, Sec. 1(a)(1) is amended to read:

(a)(1) The Commissioner of Taxes may approve an application by a municipality for reimbursement of State education property tax payments owed under 32 V.S.A. § 5402(c) and 16 V.S.A. § 426. To be eligible for reimbursement under this section, prior to ~~April~~ November 15, 2024, a municipality must have abated, in proportion to the abated municipal tax, under 24 V.S.A. § 1535 the State education property taxes that were assessed on eligible property, after application of any property tax credit allowed under 32 V.S.A. chapter 154.

Sec. 4. EFFECTIVE DATES

This act shall take effect on January 1, 2025, except this section and Sec. 3 (extension for flood abatement reimbursement) shall take effect on passage.

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

“An act relating to reimbursement parity for health care services delivered in person, by telemedicine, and by audio-only telephone and extending time for flood abatement reimbursement.”

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

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

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

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, April 18, 2024.

THURSDAY, APRIL 18, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Guy Miller of Ferrisburgh.

Message from the House No. 46

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 199. An act relating to mergers and governance of communications union districts.

And has passed the same in concurrence.

The Governor has informed the House that on April 16, 2024, he approved and signed a bill originating in the House of the following title:

H. 554. An act relating to approval of the adoption of the charter of the Town of South Hero.

Rules Suspended; Bill Committed**H. 622.**

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

An act relating to emergency medical services.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Health and Welfare, Senator Lyons moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Government Operations with the report of the Committee on Health and Welfare *intact*,

Which was agreed to.

Bills Referred to Committee on Finance

House bills of the following titles, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule were severally referred to the Committee on Finance:

H. 279. An act relating to the Uniform Trust Decanting Act.

H. 606. An act relating to professional licensure and immigration status.

H. 687. An act relating to community resilience and biodiversity protection through land use.

H. 721. An act relating to expanding access to Medicaid and Dr. Dynasaur.

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

H. 659.

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

An act relating to captive insurance.

Was taken up.

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

By striking out, in Sec. 48, 8 V.S.A. chapter 79, subchapter 10, section 2577 in its entirety and inserting in lieu thereof a new section 2577 to read as follows:

§ 2577. VIRTUAL-CURRENCY KIOSK OPERATORS

(a) Daily transaction limit. A virtual-currency kiosk operator shall not accept or dispense more than \$1,000.00 of cash in a day in connection with virtual-currency transactions with a single customer in this State via one or more money transmission kiosks.

(b) Fee cap. The aggregate fees and charges, directly or indirectly, charged to a customer related to a single transaction or series of related transactions involving virtual currency effected through a money transmission kiosk in this State, including any difference between the price charged to a customer to buy, sell, exchange, swap, or convert virtual currency and the prevailing market value of such virtual currency at the time of such transaction, shall not exceed the greater of the following:

(1) \$5.00; or

(2) three percent of the U.S. dollar equivalent of virtual currency involved in the transaction or transactions.

(c) Single transaction. The purchase, sale, exchange, swap, or conversion of virtual currency, or the subsequent transfer of virtual currency, in a series of transactions shall be deemed to be a single transaction for purposes of subsection (b) of this section.

(d) Licensing requirement. A virtual-currency kiosk operator shall comply with the licensing requirements of this subchapter to the extent that the virtual-currency kiosk operator engages in virtual-currency business activity.

(e) Operator accountability. If a virtual-currency kiosk operator allows or facilitates another person to engage in virtual-currency business activity via a money transmission kiosk in this State that is owned, operated, or managed by the virtual-currency kiosk operator, the virtual-currency kiosk operator shall do all of the following:

(1) ensure that the person engaging in virtual-currency business activity is licensed under subchapter 2 of this chapter to engage in virtual-currency business activity and complies with all other applicable provisions of this chapter;

(2) ensure that any charges collected from a customer via the money transmission kiosk comply with the limits provided by subsection (b) of this section; and

(3) comply with all other applicable provisions of this chapter.

(f) Moratorium. To protect the public safety and welfare and safeguard the rights of consumers, virtual-currency kiosks shall not be permitted to operate in Vermont prior to July 1, 2026.

(g) Report. On or before January 15, 2026, the Commissioner of Financial Regulation shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Finance on whether the requirements of this section coupled with relevant federal requirements are sufficient to protect customers in Vermont from fraudulent and predatory activity. If deemed necessary and appropriate by the Commissioner, the Commissioner may make recommendations for additional statutory or regulatory safeguards. In addition, the Commissioner shall make recommendations for enhanced oversight and monitoring of virtual-currency kiosks for the purpose of minimizing their use for illicit activities as described in the U.S. Government Accountability Office report on virtual currencies, GAO-22-105462, dated December 2021.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, Senators Cummings, Brock, Chittenden and Ram Hinsdale moved that the Senate concur in the House proposal of amendment with a further proposal of amendment as follows:

In Sec. 48, 8 V.S.A. chapter 79, subchapter 10, section 2577, by striking out subsections (f) and (g) in their entirety and inserting in lieu thereof new subsections (f) and (g) to read as follows:

(f) Moratorium. To protect the public safety and welfare and safeguard the rights of consumers, virtual-currency kiosks shall not be permitted to operate in Vermont prior to July 1, 2025. This moratorium shall not apply to a virtual-currency kiosk that was operational in Vermont on or before June 30, 2024.

(g) Report. On or before January 15, 2025, the Commissioner of Financial Regulation shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Finance on whether the requirements of this section coupled with relevant federal requirements are sufficient to protect customers in Vermont from fraudulent activity. If deemed necessary and appropriate by the Commissioner, the Commissioner may make recommendations for additional statutory or regulatory safeguards. In addition, the Commissioner shall make recommendations for enhanced oversight and monitoring of virtual-currency kiosks for the purpose of minimizing their use for illicit activities as described in the U.S. Government Accountability Office report on virtual currencies, GAO-22-105462, dated December 2021.

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.

Bill Passed in Concurrence with Proposal of Amendment

H. 861.

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

An act relating to reimbursement parity for health care services delivered in person, by telemedicine, and by audio-only telephone.

Proposal of Amendment; Third Reading Ordered

H. 629.

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

An act relating to changes to property tax abatement and tax sales.

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:

* * * Municipal Tax Abatement * * *

Sec. 1. 24 V.S.A. § 1535 is amended to read:

§ 1535. ABATEMENT

(a) The board may abate in whole or part taxes, water charges, sewer charges, interest, ~~or~~ collection fees, or any other municipal charges or fees for utilities or services, or any combination of those, other than those arising out of a corrected classification of homestead or nonhomestead property, accruing to the town in the following cases:

- (1) taxes or charges of persons who have died insolvent;
- (2) taxes or charges of persons who have moved from the State;
- (3) taxes or charges of persons who are unable to pay their taxes or charges, interest, and collection fees;
- (4) taxes in which there is ~~manifest~~ a clear or obvious error or a mistake of the listers;
- (5) taxes or charges upon real or personal property lost or destroyed during the tax year;
- (6) the exemption amount available under 32 V.S.A. § 3802(11) to persons otherwise eligible for exemption who file a claim on or after May 1 but before October 1 due to the claimant's sickness or disability or other good cause as determined by the board of abatement; but that exemption amount shall be reduced by 20 percent of the total exemption for each month or portion of a month the claim is late filed;
- (7) [Repealed.]
- (8) [Repealed.]
- (9) taxes or charges upon a mobile home moved from the town during the tax year as a result of a change in use of the mobile home park land or parts thereof or closure of the mobile home park in which the mobile home was sited, pursuant to 10 V.S.A. § 6237; or
- (10) sewer, water, utility, or service charges caused by circumstances that were difficult to foresee or outside of the person's control.

(b) The board's abatement of an amount of tax or charge shall automatically abate any uncollected interest and fees relating to that amount.

(c) The board shall, in any case in which it abates taxes or charges, interest, or collection fees accruing to the town or denies an application for abatement, state in detail in writing the reasons for its decision. The written decision shall provide sufficient explanation to indicate to the parties what was considered and what was decided. The decision shall address the arguments raised by the applicant. Prior to issuing a written decision, the board may request additional relevant information or documentation related to the case.

(d)(1) The board may order that any abatement as to an amount or amounts already paid be in the form of a refund or in the form of a credit against the tax or charge for the next ensuing tax year or charge billing cycle and for succeeding tax years or billing cycles if required to use up the amount of the credit.

(2) Whenever a municipality votes to collect interest on overdue taxes pursuant to 32 V.S.A. § 5136, interest in a like amount shall be paid by the municipality to any person for whom an abatement has been ordered.

(3) Interest on taxes or charges paid and subsequently abated shall accrue from the date payment was due or made, whichever is later. However, abatements issued pursuant to subdivision (a)(5) of this section need not include the payment of interest.

(4) When a refund has been ordered, the board shall draw an order on the town treasurer for payment of the refund.

(e)(1) The board may hear a group of similar requests for abatement as a class, provided that:

(A) the board has first met and established a class in accordance with this subsection (e);

(B) the requests shall arise from the same cause or event;

(C) the requests relate to the bases for abatement in subdivision (a)(4), (5), or (9) of this section;

(D) the board shall group requests based on property classification;

(E) the board shall provide notice to each taxpayer of the taxpayer's status as a member of the class; and

(F) a taxpayer shall have the right to decline the taxpayer's status as a member of the class and pursue the taxpayer's request as a separate action before the board.

(2) The board shall provide notice to each taxpayer at minimum 21 days before the scheduled hearing for the class. The notice shall include a description of the class and the board's reasons for grouping the requests, an explanation of the taxpayer's status as a member of the class, the procedure for appealing a board decision, the taxpayer's right to decline class membership and pursue a separate action, and any deadlines that the taxpayer must meet in order to participate as a member of the class or pursue a separate action.

(3) A taxpayer shall notify the board of the taxpayer's intent to pursue a separate action, pursuant to subdivision (1)(F) of this subsection, a minimum of seven days before the board's hearing to consider a class request.

(4) A board may preserve and take notice of any evidence supporting the basis for abatement for a class and use that evidence for purposes of a later, separate action pursued by an individual taxpayer.

(5) In instances where a board abates in part taxes, charges, interest, or collection fees for a class, the board shall not render a decision that results in disproportionate rates of abatement for taxpayers within the class.

(f) A municipality shall provide clear notice to a taxpayer of the ability to request tax abatement, and how to request abatement, at the same time as a municipality attempts to collect a municipal fee or interest for delinquent taxes, water charges, sewer charges, or tax collection.

(g) The legislative body of a municipality by a majority vote may abate de minimis amounts of taxes for purposes of reconciling municipal accounts according to generally accepted accounting principles.

Sec. 2. 24 V.S.A. § 5144 is amended to read:

§ 5144. UNIFORM NOTICE FORM

The notice form required under section 5143 of this chapter, and defined in section 5142 of this chapter, shall be clearly printed on a pink colored sheet of paper; and shall be according to the following form:

* * *

ABATEMENT AND POSSIBLE REDUCTION IN CHARGES—You may be able to receive a reduction of charges, penalties, or interest through municipal abatement. To seek this reduction in charges from the Board of Abatement, contact the municipal clerk by mail or phone:

(Name of Clerk of Board of Abatement)

(Name of Town, City, or Village)

(Address of Office)

(Mailing Address)

or by calling:

(Telephone Number)

* * * Property Tax Credit * * *

Sec. 3. 32 V.S.A. § 6065 is amended to read:

§ 6065. FORMS; TABLES; NOTICES

(a) In administering this chapter, the Commissioner shall provide suitable claim forms with tables of allowable claims, instructions, and worksheets for claiming a homestead property tax credit.

(b) Prior to June 1, the Commissioner shall also prepare and supply to each town in the State notices describing the homestead property tax credit, for inclusion in property tax bills. The notice shall be in simple, plain language and shall explain how to file for a property tax credit, where to find assistance filing for a credit, and any other related information as determined by the Commissioner. The notice shall direct taxpayers to a resource where they can find versions of the notice translated into the five most common non-English languages in the State. A town shall include such notice in each tax bill and notice of delinquent taxes that it mails to taxpayers who own in that town a ~~homestead as defined in subdivision 5401(7) of this title~~ residential property, without regard for whether the property was declared a homestead pursuant to subdivision 5401(7) of this title.

(c) Notwithstanding the provisions of subsection (b) of this section, towns that use envelopes or mailers not able to accommodate notices describing the homestead tax credit may distribute such notices in an alternative manner.

* * * Tax Sale of Real Property * * *

Sec. 4. 32 V.S.A. § 5252 is amended to read:

§ 5252. LEVY AND NOTICE OF SALE; SECURING PROPERTY

(a) When the collector of taxes of a town or of a municipality within it has for collection a tax assessed against real estate in the town and the taxpayer is delinquent for a period longer than one year, the collector may extend a warrant on such land. However, no warrant shall be extended until a delinquent taxpayer is given an opportunity to enter a written reasonable repayment plan pursuant to subsection (c) of this section. If a collector receives notice from a mobile home park owner pursuant to 10 V.S.A. § 6248(b), the collector shall, within 15 days after the notice, commence tax sale proceedings to hold a tax sale within 60 days after the notice. If the collector fails to initiate such proceedings, the town may initiate tax sale proceedings

only after complying with 10 V.S.A. § 6249(f). If the tax collector extends the warrant, the collector shall:

(1) File in the office of the town clerk for record a true and attested copy of the warrant and so much of the tax bill committed to the collector for collection as relates to the tax against the delinquent taxpayer, a sufficient description of the land so levied upon, and a statement in writing that by virtue of the original tax warrant and tax bill committed to the collector for collection, the collector has levied upon the described land.

(2) Advertise forthwith such land for sale at public auction in the town where it lies three weeks successively in a newspaper circulating in the vicinity, the last publication to be at least 10 days before such sale.

(3) Give the delinquent taxpayer written notice by certified mail requiring a return receipt directed to the last known address of the delinquent of the date and place of such sale at least ~~10~~ 30 days prior thereto if the delinquent is a resident of the town and ~~20~~ 30 days prior thereto if the delinquent is a nonresident of the town. If the notice by certified mail is returned unclaimed,;

(A) notice shall be provided to the taxpayer by resending the notice by first-class mail or by personal service pursuant to Rule 4 of the Vermont Rules of Civil Procedure; and

(B) notice shall be provided by e-mail, provided the tax collector can acquire the e-mail address of the delinquent taxpayer using reasonable effort; and

(C) notice shall be affixed to the front door of the property subject to tax sale, provided it has a structure.

(4) Give to the mortgagee or lien holder of record written notice of such sale at least ~~10~~ 30 days prior thereto if a resident of the town and, if a nonresident, ~~20~~ 30 days' notice to the mortgagee or lien holder of record or ~~his or her~~ the mortgagee's or lien holder's agent or attorney by certified mail requiring a return receipt directed to the last known address of such person. If the notice by certified mail is returned unclaimed, notice shall be provided by resending the notice by first-class mail or by personal service pursuant to Rule 4 of the Vermont Rules of Civil Procedure.

(5) Post a notice of such sale in some public place in the town.

(6) Enclose the following statement, with directions to a resource translating the notice into the five most common non-English languages used in this State, with the notices required under subdivisions (3) and (4) of this subsection and with every delinquent tax notice:

Warning: There are unpaid property taxes at (address of property), which you may own, have a legal interest, or may be contiguous to your property. The property will be sold at public auction on (date set for sale) unless the overdue taxes, fees, and interest in the amount of (dollar amount due) is paid. To make payment or receive further information, contact (name of tax collector) immediately at (office address), (mailing address), (e-mail address), or (telephone number).

(7) The resource for translation of the notice required under subdivision (6) of this subsection shall be made available to all municipalities by the Vermont Department of Taxes.

(b)(1) If the warrant and levy for delinquent taxes has been recorded pursuant to subsection (a) of this section, the municipality in which the real estate lies may secure the property against illegal activity and potential fire hazards after giving the mortgagee or lien holder of record written notice at least 10 days prior to such action.

(2) Notwithstanding any provision of this section to the contrary, when a warrant and levy for delinquent taxes has been recorded pursuant to subsection (a) of this section, it shall be for all delinquent taxes due at the time the warrant and levy is filed.

(c)(1) A municipality shall not initiate a tax sale proceeding until it has, after attempting to consult with the taxpayer, offered a delinquent taxpayer a written reasonable repayment plan and the taxpayer has either denied the offer, failed to respond within 30 days, or failed to make a payment under the plan within the time frame established by the collector. When establishing a plan under this subsection, the municipality may request related information and shall consider the following:

(A) the income and income schedule of the taxpayer, if offered by the taxpayer;

(B) the taxpayer's tax payment history with the municipality;

(C) the amount of tax debt owed to the municipality;

(D) the amount of time tax has been delinquent; and

(E) the taxpayer's reason for the delinquency, if offered by the taxpayer.

(2) A collector is only required to offer one payment plan per delinquency, without regard for whether it is agreed to by the delinquent taxpayer.

(3) A collector may void a payment plan and proceed to tax sale if a delinquent taxpayer agrees to a payment plan under this subsection and fails to make a timely payment.

Sec. 5. 32 V.S.A. § 5253 is amended to read:

§ 5253. FORM OF ADVERTISEMENT AND NOTICE OF SALE

The form of advertisement and notice of sale provided for in section 5252 of this title shall be substantially in the following form:

The resident and nonresident owners, lien holders, and mortgagees of lands in the town of _____ in the county of _____ are hereby notified that the taxes assessed by such town for the years _____ (insert years the taxes are unpaid) _____ remain, either in whole or in part, unpaid on the following described lands in such town, to wit,

(insert description of lands)

and so much of such lands will be sold at public auction at _____ a public place in such town, on the _____ day of _____ (month), _____ (year) at _____ o'clock _____ (am/pm), as shall be requisite to discharge such taxes with costs and fees, unless previously paid.

Be advised that the owner or mortgagee, or the owner's or mortgagee's representatives or assigns, of lands sold for taxes shall have a right to redemption for a period of one year from the date of sale pursuant to 32 V.S.A. § 5260.

Dated at _____, Vermont, this _____ day of _____ (month), _____ (year).

Collector of Town Taxes

Sec. 6. 32 V.S.A. § 5260 is amended to read:

§ 5260. REDEMPTION

(a) When the owner, lien holder, or mortgagee of lands sold for taxes, ~~his or her~~ the owner's, lien holder's, or mortgagee's representatives or assigns, within one year from the day of sale, pays or tenders to the collector who made the sale or in the case of ~~his or her~~ the collector's death or removal from the town where the land lies, to the town clerk of such town, the sum for which the land was sold with interest thereon calculated at a rate of one percent per month or fraction thereof from the day of sale to the day of payment, a deed of

the land shall not be made to the purchaser, but the money paid or tendered by the owner, lien holder, or mortgagee or his or her the owner's, lien holder's, or mortgagee's representatives or assigns to the collector or town clerk shall be paid over to such purchaser on demand. In the event that a municipality purchases contaminated land pursuant to section 5259 of this title, the cost to redeem shall include all costs expended for assessment and remediation, including expenses incurred or authorized by any local, State, or federal government authority.

(b) During the redemption period, the tax collector shall:

(1) Serve the delinquent taxpayer with the written notice required under subsection (c) of this section between 90 and 120 days prior to the end of the redemption period using certified mail requiring a return receipt, directed to the last known address of the delinquent taxpayer. If the notice by certified mail is returned unclaimed, notice shall be provided by resending the notice by first-class mail or by personal service pursuant to Rule 4 of the Vermont Rules of Civil Procedure.

(2) Post the notice in some public place in the municipality between 90 and 120 days prior to the end of redemption period.

(c) The tax collector shall enclose the following statement, with directions to a resource translating the notice into the five most common non-English languages used in this State, with every notice required under this section:

Warning: There are unpaid property taxes at (address of property), which you may own, have a legal interest in, or may be contiguous to your property. The property was sold at public auction on (date). Unless the overdue taxes, fees, and interest are paid by (last day of redemption period), the deed to the property will transfer to purchaser. To redeem the property and avoid losing your legal interest, you must pay (dollar amount due for redemption). The amount you must pay to redeem the property increases every month due to interest, mailing costs, and other costs. To make payment or receive further information, contact (name of tax collector) immediately at (office address), (mailing address), (e-mail address), and (telephone number).

(d) The resource for translation of the notice required under subsection (c) of this section shall be made available to all municipalities by the Vermont Department of Taxes.

Sec. 7. WORKING GROUP ON VERMONT'S ABATEMENT AND TAX SALE PROCESSES

(a) Creation. There is created the Working Group on Vermont's Abatement and Tax Sale Processes to assess how Vermont may balance fairness for delinquent taxpayers with the needs of municipalities.

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

- (1) a representative, appointed by Vermont Legal Aid;
- (2) a representative, appointed by the Vermont League of Cities and Towns;
- (3) a representative, appointed by the Vermont Banker's Association;
- (4) a representative, appointed by the Vermont Housing Finance Agency;
- (5) a representative, appointed by the Vermont Municipal Clerk's and Treasurer's Associations;
- (6) a representative, appointed by the Neighborworks Alliance of Vermont;
- (7) a representative, appointed by the Champlain Valley Office of Economic Opportunity Mobile Home Project;
- (8) a representative, appointed by the Vermont Assessors and Listers Association; and
- (9) a representative, appointed by the Vermont Bar Association, with experience practicing real estate law.

(c) Powers and duties. The Working Group shall offer recommendations relating to the following:

- (1) whether the State should change the law to allow a delinquent taxpayer whose property is transferred by a tax collector's deed, or a tax-lien foreclosure sale, to recoup all or part of the equity in the taxpayer's property in excess of the tax debt, fees, and interest for which the taxpayer's property is sold;
- (2) whether further changes are needed to standardize the abatement process across Vermont municipalities;
- (3) whether the State should require a minimum amount of tax debt before a tax sale can be initiated;
- (4) whether the State should allow a tax sale to be initiated for blighted or dilapidated real estate that has been abandoned when taxes are delinquent for less than one year;
- (5) a reasonable percent rate of monthly interest paid by delinquent taxpayers during the redemption period;

(6) whether the purchaser of a property at a tax sale should be allowed to secure the property against illegal activity, damage from exposure to the elements, deterioration, and potential fire prior to acquiring title to the property; and

(7) a process for statewide collection of data relating to tax sales, including to whom the data could be reported, the values of properties sold at tax sales, the amounts and types of debts underlying tax sales, and descriptive data for properties subject to tax sales.

(d) Report. On or before December 15, 2024, the Working Group shall submit a written report to the House Committee on Ways and Means, House Committee on Government Operations and Military Affairs, Senate Committee on Finance, and Senate Committee on Government Operations with its findings and any recommendations for legislative action, including proposed legislative language.

(e) Compensation. Members shall not be compensated for participation in the Working Group.

(f) Meetings.

(1) The representative appointed by Vermont Legal Aid shall call the first meeting of the Working Group to occur on or before August 1, 2024.

(2) The Working Group shall elect 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 June 30, 2025.

Sec. 8. APPLICATION OF CHANGES MADE BY THIS ACT

(a) The amendments to 32 V.S.A. § 5252 made by Sec. 4 of this act (notice of sale) shall not apply to a property that was subject to a notice of sale prior to the effective date of this act.

(b) The amendments to 32 V.S.A. § 5260 made by Sec. 6 of this act (redemption) shall not apply to a property that has been sold at tax sale prior to the effective date of this act, except that, notwithstanding any provision of 1 V.S.A. § 214 to the contrary, the provisions of 32 V.S.A. § 5260(b) and (c) shall apply if, on the effective date of this act, 90 days or more remain until the end of the redemption period.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on passage.

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.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, APRIL 19, 2024

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Rick Swanson of Stowe.

Message from the House No. 47

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 694. An act relating to sexual exploitation.

And has concurred therein.

The House has adopted joint resolution of the following title:

J.R.H. 10. Joint resolution authorizing the Green Mountain Girls State educational program to use the State House facilities on June 27, 2024.

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. 53. Joint resolution relating to weekend adjournment on April 19, 2024.

And has adopted the same in concurrence.

Message from the House No. 48

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 189. An act relating to mental health response service guidelines and social service provider safety.

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. 666. An act relating to escrow deposit bonds.

And has concurred therein.

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

H.C.R. 219. House concurrent resolution recognizing May 2024 as National Foster Care Month in Vermont.

H.C.R. 220. House concurrent resolution congratulating the 2023 North Country Union High School Falcons Division II championship football team.

H.C.R. 221. House concurrent resolution congratulating North Country Union High School Principal Christopher Young on being named the National Association of Secondary School Principals 2024 Advocacy Champion of the Year.

H.C.R. 222. House concurrent resolution in memory of former Representative Timothy Yeatman Hayward.

H.C.R. 223. House concurrent resolution honoring the academic and administrative leadership of former Kingdom East School District Superintendent Jennifer Botzjorns.

H.C.R. 224. House concurrent resolution congratulating the 2023 Hartford High School Hurricanes Division II championship field hockey team.

H.C.R. 225. House concurrent resolution congratulating the 2023 Hartford High School Hurricanes Division II championship boys' golf team.

H.C.R. 226. House concurrent resolution congratulating the 2024 Hartford High School Hurricanes Division II championship boys' indoor track and field team.

H.C.R. 227. House concurrent resolution congratulating the 2024 West Rutland High School Golden Horde girls' basketball team on winning the school's third consecutive Division IV championship.

H.C.R. 228. House concurrent resolution honoring the dedication and leadership of Martha Canfield Memorial Free Library Director Phyllis Skidmore.

H.C.R. 229. House concurrent resolution honoring the music therapists of Vermont.

H.C.R. 230. House concurrent resolution in memory of Weathersfield Fire Chief Darrin Spaulding.

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. 13. Senate concurrent resolution congratulating Alice Whiting of Johnson on her 90th birthday.

And has adopted the same in concurrence.

Rules Suspended; Bill Not Referred to Committee on Finance

H. 706

Appearing on the Calendar for notice, and, pending referral of the bill to the Committee on Finance pursuant to Senate Rule 31, Senator Baruth moved that the rules be suspended and the House bill entitled:

An act relating to banning the use of neonicotinoid pesticides.

Not be referred to the Committee on Finance pursuant to Senate Rule 31.

Which was agreed to.

Bills Referred to Committee on Finance

House bills of the following titles, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule were severally referred to the Committee on Finance:

H. 72. An act relating to a harm-reduction criminal justice response to drug use.

H. 233. An act relating to licensure and regulation of pharmacy benefit managers.

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. 706. An act relating to banning the use of neonicotinoid pesticides.

H. 879. An act relating to the Emergency Temporary Shelter Program.

H. 882. An act relating to capital construction and State bonding budget adjustment.

Message from the Governor Appointment Referred

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointment, which was referred to committee as indicated:

Saunders, Zoie of Shrewsbury - Secretary, Agency of Education - from April 15, 2024 to February 28, 2025.

To the Committee on Education.

Joint Resolution Placed on Calendar

J.R.H. 10.

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

Joint resolution authorizing the Green Mountain Girls State educational program to use the State House facilities on June 27, 2024

Whereas, the American Legion Auxiliary Department of Vermont sponsors the Green Mountain Girls State educational program, providing a group of girls entering the 12th grade a special opportunity to study the workings of State government, including conducting a mock legislative session at the State House, and

Whereas, this special experience is a unique civic lesson of lasting value for the participants, now therefore be it

Resolved by the Senate and House of Representatives:

That subject to the determination of and limitations that the Sergeant at Arms may establish, the Green Mountain Girls State educational program is authorized to use the chambers and committee rooms of the State House on Thursday, June 27, 2024, from 8:00 a.m. to 4:15 p.m., and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the American Legion Auxiliary Department of Vermont.

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was placed on the Calendar for action the next legislative day.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 629.

House bill entitled:

An act relating to changes to property tax abatement and tax sales.

Was taken up.

Thereupon, pending third reading of the bill, Senators Hardy, Chittenden, Clarkson, Norris, Watson and White moved to amend the Senate proposal of amendment in Sec. 2, notice form, by striking out the section in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. 24 V.S.A. § 5144 is amended to read:

§ 5144. UNIFORM NOTICE FORM

The notice form required under section 5143 of this chapter, and defined in section 5142 of this chapter, shall be clearly printed on a pink colored sheet of paper, and shall be according to the following form:

* * *

ABATEMENT AND POSSIBLE REDUCTION IN CHARGES—You may be able to receive a reduction of charges, penalties, or interest through municipal abatement. To seek this reduction in charges from the Board of Abatement, contact the municipal clerk by mail, phone, or e-mail:

(Name of Clerk of Board of Abatement)

(Name of Town, City, or Village)

(Address of Office)

(Mailing Address)

or by calling:

(Telephone Number)

or by e-mailing:

(E-mail Address)

Which was agreed to.

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

Third Reading Ordered

H. 247.

Senator Weeks, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to Vermont's adoption of the Occupational Therapy Licensure Compact.

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 in concurrence.

Senator Lyons, for the Committee on Appropriations, to which the bill was referred, 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. 649.

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

An act relating to the Vermont Truth and Reconciliation Commission.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 2022 Acts and Resolves No. 128, Sec. 4 is amended to read:

Sec. 4. REPEAL

1 V.S.A. chapter 25 (Truth and Reconciliation Commission) is repealed on ~~July 1, 2026~~ May 1, 2027.

Sec. 2. 1 V.S.A. § 903 is amended to read:

§ 903. COMMISSIONERS

* * *

(c) The term of each commissioner shall begin on the date of appointment and end on ~~July 1, 2026~~ May 1, 2027.

Sec. 3. 1 V.S.A. § 904 is amended to read:

§ 904. SELECTION PANEL; MEMBERSHIP; DUTIES

~~(a)(1) The Selection Panel shall be composed of seven members selected on or before September 1, 2022 by a majority vote of the following five members:~~

~~(A)(1) the Executive Director of Racial Equity or designee;~~

~~(B)(2) the Executive Director of the Vermont Center for Independent Living or designee;~~

~~(C)(3) an individual, who shall not be a current member of the General Assembly, appointed by the Speaker of the House;~~

~~(D)(4) an individual, who shall not be a current member of the General Assembly, appointed by the Committee on Committees; and~~

~~(E)(5) an individual, appointed by the Chief Justice of the Vermont Supreme Court.~~

~~(2) The individuals identified in subdivision (1) of this subsection:~~

~~(A) shall hold their first meeting on or before August 1, 2022 at the call of the individual appointed by the Chief Justice of the Vermont Supreme Court; and~~

~~(B) are encouraged to appoint individuals to the Selection Panel who include members of the populations and communities identified pursuant to subdivisions 902(b)(1)(A) (D) of this chapter and who are diverse with respect to socioeconomic status, work, education, geographic location, gender, and sexual identity.~~

~~(3) Individuals selected pursuant to subdivision (1) of this subsection 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 two meetings. These payments shall be made from amounts appropriated to the Truth and Reconciliation Commission.~~

(b)(1) The Selection Panel shall select and appoint the commissioners of the Truth and Reconciliation Commission as provided pursuant to section 905 of this chapter.

(2) To enable it to carry out its duty to select and appoint the commissioners of the Truth and Reconciliation Commission as provided pursuant to section 905 of this chapter, the Panel may:

(A) adopt procedures as necessary to carry out the duties set forth in section 905 of this chapter; and

(B) ~~establish and maintain a principal office;~~

(C) ~~meet and hold hearings at any place in this State; and~~

(D) ~~hire temporary staff to provide administrative assistance during the period from September 1, 2022 through January 15, 2023, provided that if the Panel extends the time to select commissioners pursuant to subdivision 905(e)(1) of this chapter, it may retain staff to provide administrative assistance through March 31, 2023.~~

(c) The term of each member of the Panel shall begin on the date of appointment and end on ~~January 15, 2023, except if the Panel extends the time to select commissioners pursuant to subdivision 905(e)(1) of this chapter, the term of the Panel members shall end on March 31, 2023~~ May 1, 2027.

(d) The Panel shall select a chair and a vice chair from among its members.

(e)(1) Meetings shall be held at the call of the Chair or at the request of four or more members of the Panel.

(2) A majority of the current membership of the Panel shall constitute a quorum, and actions of the Panel may be authorized by a majority of the members present and voting at a meeting of the Panel.

(f) Members of the Panel who are not otherwise compensated by the State shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than 20 meetings during fiscal year 2023 meetings to carry out the Panel's duties pursuant to this section and sections 905 and 905a of this chapter. These payments shall be made from amounts appropriated to the Truth and Reconciliation Commission.

(g) The Panel shall have the administrative and legal assistance of the Truth and Reconciliation Commission.

(h)(1) A member of the Panel who is not serving ex officio may be removed by the appropriate appointing authority for incompetence, failure to discharge the member's duties, malfeasance, or illegal acts.

(2) A vacancy occurring on the Panel shall be filled by the appropriate appointing authority for the remainder of the term.

Sec. 4. 1 V.S.A. § 905 is amended to read:

§ 905. SELECTION OF COMMISSIONERS

* * *

(d) The Panel shall fill any vacancy occurring among the commissioners within 60 days after the vacancy occurs in the manner set forth in subsections (a) and (b) of this section. A commissioner appointed to fill a vacancy pursuant to this subsection shall be appointed to serve for the balance of the unexpired term.

Sec. 5. APPOINTMENT TO FILL EXISTING COMMISSION VACANCY

The Selection Panel established pursuant to 1 V.S.A. § 905 shall fill the vacancy existing on the Truth and Reconciliation Commission on the effective date of this act not later than 60 days after the appointive members of the Panel are appointed.

Sec. 6. 1 V.S.A. § 905a is added to read:

§ 905a. REMOVAL OR REPRIMAND OF COMMISSIONERS FOR MISCONDUCT

The Selection Panel may, after notice and an opportunity for a hearing, reprimand or remove a commissioner for incompetence, failure to discharge the commissioner's duties, malfeasance, illegal acts, or other actions that the Panel determines would substantially and materially harm the credibility of the Truth and Reconciliation Commission or its ability to carry out its work pursuant to the provisions of this chapter. Notwithstanding subdivision 904(e)(2) of this chapter, the reprimand or removal of a commissioner shall only be authorized by a vote of the majority of the members of the Panel.

Sec. 7. 1 V.S.A. § 906 is amended to read:

§ 906. POWERS AND DUTIES OF THE COMMISSIONERS

* * *

(b) Powers. To carry out its duties pursuant to this chapter, the commissioners may:

(1) ~~Adopt rules in accordance with 3 V.S.A. chapter 25 as necessary to implement the provisions of this chapter. [Repealed.]~~

* * *

(13)(A) Establish groups in which individuals who have experienced institutional, structural, or systemic discrimination or are a member of a population or community that has experienced institutional, structural, or

systemic discrimination may participate for purposes of sharing experiences and providing mutual support.

(B) Commissioners shall not participate in any meeting or session of a group established pursuant to this subdivision (13).

(C) Groups established pursuant to this subdivision (13) may continue to exist after the date on which the Commission ceases to exist, provided that after that date Commission staff shall no longer provide any assistance or services to the groups and Commission funds shall no longer be spent in support of the groups.

Sec. 8. 1 V.S.A. § 908 is amended to read:

§ 908. REPORTS

* * *

(b)(1) On or before ~~June~~ April 15, ~~2026~~ 2027, the Commission shall submit a final report incorporating the findings and recommendations of each committee. Each report shall detail the findings and recommendations of the relevant committee and shall include recommendations for actions that can be taken to eliminate ongoing instances of institutional, structural, and systemic discrimination and to address the harm caused by historic instances of institutional, structural, and systemic discrimination.

(2) The Commission shall, on or before ~~January~~ October 15, 2026, make a draft of the final report publicly available and provide copies of the draft to interested parties from the populations and communities identified pursuant to subdivision 902(b)(1) of this chapter and other interested parties. The Commission shall provide the interested parties and members of the public with not less than 60 days to review the draft and provide comments on it. The Commission shall consider fully all comments submitted in relation to the draft and shall include with the final version of the report a summary of all comments received and a concise statement of the reasons why the Commission decided to incorporate or reject any proposed changes. Comments submitted in relation to the final report shall be made available to the public in a manner that complies with the requirements of section ~~910~~ 909 of this chapter.

(3) The draft and final report shall include:

(A) a bibliography of all sources, interviews, and materials utilized in preparing the report;

(B) a summary of the interviews utilized in preparing the report, including the total number of interviews, and whether each interview was

public or confidential, and whether a transcript or summary, or both, is available for each interview; and

(C) information regarding where members of the public can access and obtain copies of the sources and materials utilized in preparing the report, including the transcripts or summaries of interviews.

* * *

Sec. 9. 1 V.S.A. § 909 is amended to read:

§ 909. ACCESS TO INFORMATION; CONFIDENTIALITY

* * *

(d) Private proceedings.

(1) The Notwithstanding any provision of chapter 5, subchapter 2 of this title, the Vermont Open Meeting Law, or section 911 of this chapter to the contrary, the Commission shall permit any individual who is interviewed by the Commission to elect to have their the individual's interview conducted in a manner that protects the individual's privacy and to have any recording of the interview kept confidential by the Commission. Any other record or document produced in relation to an interview conducted pursuant to this subdivision (d)(1) shall only be available to the public in an anonymized form that does not reveal the identity of any individual.

* * *

Sec. 10. 1 V.S.A. § 911 is added to read:

§ 911. DELIBERATIVE DISCUSSIONS; EXCEPTION TO OPEN MEETING LAW

(a) Notwithstanding any provision of chapter 5, subchapter 2 of this title, the deliberations of a quorum or more of the members of the Commission shall not be subject to the Vermont Open Meeting Law.

(b) The Commission shall regularly post to the Commission's website a short summary of all deliberative meetings held by the commissioners pursuant to this subsection.

(c)(1) As used in this section, "deliberations" means weighing, examining, and discussing information gathered by the Commission and the reasons for and against an act or decision.

(2) "Deliberations" expressly excludes:

(A) taking evidence, except as otherwise provided pursuant to section 909 of this chapter;

(B) hearing arguments for or against an act or decision of the Commission;

(C) taking public comment; and

(D) making any decision related to an act or the official duties of the Commission.

Sec. 11. LEGISLATIVE INTENT

It is the intent of the General Assembly that:

(1) the Truth and Reconciliation Commission work in an open, transparent, and inclusive manner to ensure the credibility and integrity of its work and strive to maximize opportunities to conduct its business in public meetings;

(2) specific exceptions to the Open Meeting Law, in recognition of the highly sensitive nature of the Truth and Reconciliation Commission's charge, will enable the Commission to carry out its duties in a manner that:

(A) preserves the safety of participants in the Commission's work;

(B) does not perpetuate or exacerbate harm experienced by participants; and

(C) protects participants from additional trauma.

Sec. 12. 1 V.S.A. § 912 is added to read:

§ 912. GROUP SESSIONS; DUTY OF CONFIDENTIALITY

(a) The sessions of groups established pursuant to subdivision 906(b)(13) of this chapter shall be confidential and privileged. Participants in a group session, including Commission staff or individuals whom the Commission contracts with to facilitate group sessions, shall be subject to a duty of confidentiality and shall keep confidential any information gained during a group session.

(b) A person who attended a group session may bring a private action in the Civil Division of the Superior Court for damages resulting from a breach of the duty of confidentiality established pursuant to this section.

(c) This section shall not be construed to limit or otherwise affect the application of a common law duty of confidentiality to group sessions and any action that may be brought based on a breach of that duty.

(d) Nothing in this section shall be construed to prohibit the limited disclosure of information to specific persons under the following circumstances:

(1) The disclosure:

(A) relates to a threat or statement of a plan made during a group session that the individual reasonably believes is likely to result in death or bodily injury to themselves or others or damage to the property of themselves or another person; and

(B) is made to law enforcement authorities or another person that is reasonably able to prevent or lessen the threat.

(2) The disclosure is based on a reasonable suspicion of abuse or neglect of a child or vulnerable adult and a report is made in accordance with the provisions of 33 V.S.A. § 4914 or 6903 or to comply with another law.

(e) The Commission shall ensure that all participants in a group session are provided with notice of the provisions of this section, including any rights and obligations of participants that are established pursuant to this section.

(f) As used in this section, “group session” means any meeting of a group established pursuant to subdivision 906(b)(13) of this chapter for purposes of the participants sharing or discussing their experiences and providing mutual support. “Group session” does not include any gathering of the participants in a group established pursuant to subdivision 906(b)(13) of this chapter that includes one or more members of the Commission.

Sec. 13. EFFECTIVE DATE

This act shall take effect on passage.

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.

Appointment Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator Hardy, the following Gubernatorial appointment was confirmed by the Senate, without a report given by the Committee to which it was referred and without debate:

Tandoh, Margaret of South Burlington - Member of the Board of Medical Practice - January 1, 2024 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

McNamara, Edward M. of Montpelier - Chair, Public Utility Commission - January 29, 2024 to February 28, 2029.

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, Champion, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Starr, Vyhovsky, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Chittenden, Sears, Watson.

The nomination of

Reilly-Hughes, Denise of Cavendish - Secretary, Agency of Digital Services - September 14, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 25, 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, Champion, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Starr, Vyhovsky, Weeks, Westman, White, Williams.

The Senator who voted in the negative was: Wrenner.

Those Senators absent and not voting were: Chittenden, Sears, Watson.

The nomination of

Pepper, James of Montpelier - Chair, Cannabis Control Board - March 1, 2024 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, Champion, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Lyons, MacDonald, McCormack, Norris, Perchlik, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Chittenden, Kitchel, Ram Hinsdale, Sears.

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 Senator Westman,

By Reps. Carpenter and Noyes,

S.C.R. 13.

Senate concurrent resolution congratulating Alice Whiting of Johnson on her 90th birthday.

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. Donahue and others,

H.C.R. 219.

House concurrent resolution recognizing May 2024 as National Foster Care Month in Vermont.

By Reps. Page and others,

By Senators Ingalls and Starr,

H.C.R. 220.

House concurrent resolution congratulating the 2023 North Country Union High School Falcons Division II championship football team.

By Reps. Smith and others,

By Senators Ingalls and Starr,

H.C.R. 221.

House concurrent resolution congratulating North Country Union High School Principal Christopher Young on being named the National Association of Secondary School Principals 2024 Advocacy Champion of the Year.

By Reps. McCoy and others,

By Senators Brock, Collamore, Ingalls, Norris, Weeks, Westman and Williams,

H.C.R. 222.

House concurrent resolution in memory of former Representative Timothy Yeatman Hayward.

By Reps. Williams and others,

By Senators Ingalls and Starr,

H.C.R. 223.

House concurrent resolution honoring the academic and administrative leadership of former Kingdom East School District Superintendent Jennifer Botzjoorns.

By Reps. Christie and Cole,

By Senators Clarkson, McCormack and White,

H.C.R. 224.

House concurrent resolution congratulating the 2023 Hartford High School Hurricanes Division II championship field hockey team.

By Reps. Christie and Cole,

By Senators Clarkson, McCormack and White,

H.C.R. 225.

House concurrent resolution congratulating the 2023 Hartford High School Hurricanes Division II championship boys' golf team.

By Reps. Christie and Cole,

By Senators Clarkson, McCormack and White,

H.C.R. 226.

House concurrent resolution congratulating the 2024 Hartford High School Hurricanes Division II championship boys' indoor track and field team.

By Reps. Burditt and others,
By Senators Collamore, Weeks and Williams,

H.C.R. 227.

House concurrent resolution congratulating the 2024 West Rutland High School Golden Horde girls' basketball team on winning the school's third consecutive Division IV championship.

By Reps. James and Bongartz,

H.C.R. 228.

House concurrent resolution honoring the dedication and leadership of Martha Canfield Memorial Free Library Director Phyllis Skidmore.

By Reps. Dolan and others,

H.C.R. 229.

House concurrent resolution honoring the music therapists of Vermont.

By Reps. Arrison and Morris,

By Senators Clarkson, McCormack and White,

H.C.R. 230.

House concurrent resolution in memory of Weathersfield Fire Chief Darrin Spaulding.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, April 23, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 53.

TUESDAY, APRIL 23, 2024

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. 49

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 626. An act relating to animal welfare.

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. 187. An act relating to student application of sunscreen.

And has passed 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 22nd day of April, 2024, he approved and signed bills originating in the Senate of the following titles:

S. 190. An act relating to statements made by a child victim of an offense involving serious bodily injury.

S. 278. An act relating to prohibiting a comparative negligence defense in an action for a negligence claim relating to a sexual act or sexual conduct.

Election of the Third Member of Committee on Committees

The Senate then proceeded to the election of a Senator to serve with the President and the President *pro tempore* as a member of the Committee on Committees, which appoints the standing committees of the Senate.

Senator Perchlik of Washington District nominated

MARTHA JANE KITCHEL

of Caledonia District.

Senator Clarkson of Windsor District seconded the nomination.

There being no further nominations, on motion of Senator Baruth, the nominations were closed and the Secretary was instructed to cast one ballot for

MARTHA JANE KITCHEL

of Caledonia District to serve with the President and the President *pro tempore* as a member of the Committee on Committees.

Thereupon, she presented herself at the bar of the Senate and received the oath of office from the President.

Rules Suspended; Bill Not Referred to Committee on Finance

H. 883

Appearing on the Calendar for notice, and pending referral of the bill to the Committee on Finance pursuant to Senate Rule 31, Senator Baruth moved that the rules be suspended and the House bill entitled:

An act relating to making appropriations for the support of government.

Not be referred to the Committee on Finance pursuant to Senate Rule 31 (and thereby remain on the Calendar for notice),

Which was agreed to.

Bill Referred to Committee on Finance

H. 10.

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

An act relating to amending the Vermont Employment Growth Incentive Program.

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. 72. An act relating to a harm-reduction criminal justice response to drug use.

H. 707. An act relating to revising the delivery and governance of the Vermont workforce system.

H. 847. An act relating to peer support provider and recovery support specialist certification.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 54.

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. 54. Joint resolution relating to weekend adjournment on April 26, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 26, 2024, it be to meet again no later than Tuesday, April 30, 2024.

Bill Referred

House Bill of the following title was read the first time:

H. 626. An act relating to animal welfare.

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

Proposal of Amendment; Third Reading Ordered

H. 868.

Senator Perchlik, for the Committee on Transportation, to which was referred House bill entitled:

An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

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:

* * * Transportation Program Adopted as Amended; Definitions * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) Adoption. The Agency of Transportation’s Proposed Fiscal Year 2025 Transportation Program appended to the Agency of Transportation’s proposed fiscal year 2025 budget (revised February 15, 2024), 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) “Electric vehicle supply equipment (EVSE)” and “electric vehicle supply equipment available to the public” have the same meanings as in 30 V.S.A. § 201.

(5) “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.

(6) “Mileage-based user fee” or “MБУF” means a fee for vehicle use of the public road system with distance, stated in miles, as the measure of use.

(7) “Secretary” means the Secretary of Transportation.

(8) “TIB funds” means monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

(9) 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.

* * * Summary of Transportation Investments * * *

Sec. 2. FISCAL YEAR 2025 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 2025 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 2025, these efforts will include the following:

(1) Park and Ride Program. This act provides for a fiscal year expenditure of \$1,464,833.00, 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; funding for a municipal park-and-ride grant program; and paving projects for existing park-and-ride facilities. This year's Park and Ride Program will create 60 new State-owned spaces. Specific additions and improvements include:

(A) Manchester—construction of 50 new spaces; and

(B) Sharon—design and construction of 10 new spaces.

(2) Bike and Pedestrian Facilities Program. This act provides for a fiscal year expenditure, including local match, of \$11,648,752.00, which will fund 28 bike and pedestrian construction projects; 21 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years; and eight scoping studies. 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, Bethel, Brattleboro, Burke, Burlington, Castleton, Chester, Enosburg Falls, Fair Haven, Fairfax, Hartford, Hyde Park, Jericho, Manchester, Middlebury, Montpelier, Moretown, Newport City, Northfield, Pawlet, Richford, Royalton, Rutland City, Rutland Town, Shaftsbury, Shelburne, Sheldon, South Burlington, Springfield, St. Albans City, St. Albans Town, Sunderland, Swanton, Tunbridge, Vergennes, Wallingford, Waterbury, and West Rutland. This act also provides funding for:

(A) some of Local Motion's operation costs to run the bike ferry on the Colchester Causeway, which is part of the Island Line Trail;

(B) a small-scale municipal bicycle and pedestrian grant program for projects to be selected during the fiscal year;

(C) projects funded through the Safe Routes to School Program; and

(D) community grants along the Lamoille Valley Rail Trail (LVRT).

(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of \$5,416,614.00, including local funds, which will fund 28 transportation alternatives construction projects; 28 transportation alternatives design, right-of-way, or design and right-of-way projects; and three studies, including scoping, historic preservation, and connectivity. Of these 59 projects, 21 involve environmental mitigation related to clean water or stormwater concerns, or both clean water and stormwater concerns, and 38 involve bicycle and pedestrian facilities. Projects are funded in Athens, Barre City, Brandon, Bridgewater, Bristol, Burke, Burlington, Cambridge, Castleton, Colchester, Derby, Enosburg Falls, Fair Haven, Fairfax, Franklin, Hartford,

Hinesburg, Hyde Park, Jericho, Londonderry, Lyndon, Mendon, Middlebury, Montgomery, Newark, Newfane, Proctor, Richford, Richmond, Rockingham, Rutland City, Sharon, Shelburne, South Burlington, Springfield, St. Albans Town, Swanton, Tinmouth, Vergennes, Wardsboro, Warren, Weston, Williston, Wilmington, and Winooski.

(4) Public Transit Program. This act provides for a fiscal year expenditure of \$54,940,225.00 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 \$3,500,000.00, which includes \$3,000,000.00 in federal Carbon Reduction Funds. 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 \$48,746,831.00, including local funds, for intercity passenger rail service, including funding for the Ethan Allen Express and Vermonter Amtrak services, and rail infrastructure that supports freight rail as well. Moving freight by rail instead of trucks lowers greenhouse gas emissions by up to 75 percent, on average.

(6) Transformation of the State Vehicle Fleet. The Department of Buildings and General Services, which manages the State Vehicle Fleet, currently has 14 plug-in hybrid electric vehicles and 15 battery electric vehicles in the State Vehicle Fleet. In fiscal year 2025, 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 \$4,833,828.00 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.

(8) Vehicle incentive programs and expansion of the PEV market. Incentive Program for New PEVs, MileageSmart, Replace Your Ride, and Electrify Your Fleet. No additional monies are authorized for the State's vehicle incentive programs in this act, but it is estimated that prior appropriations of approximately the following amounts will be available in fiscal year 2025:

(A) \$2,600,000.00 for the Incentive Program for New PEVs;

(B) \$200,000.00 for MileageSmart; and

(C) \$900,000.00 for the Replace Your Ride Program.

(9) Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Formula Program. This act provides for a fiscal year expenditure of \$3,871,435.00 under the PROTECT Formula Program. This year's PROTECT Formula Program funds will support increased resiliency at three bridge sites (Coventry, Wilmington, and Shaftsbury) in alignment with the VTrans Resilience Improvement Plan.

* * * Heating Systems in Agency of Transportation Buildings * * *

Sec. 2a. 19 V.S.A. § 45 is added to read:

§ 45. HEATING SYSTEMS

(a) In accordance with the renewable energy goals set forth in the State Comprehensive Energy Plan, the Agency of Transportation shall strive to meet not less than 35 percent of its thermal energy needs from non-fossil fuel sources by 2025 and 45 percent by 2035.

(1) In order to meet these goals, the Agency will need to use more renewable fuels, such as local wood fuels, to heat its buildings and continue to increase its use of electricity that is generated from renewable sources.

(2) When building new State facilities or replacing heating equipment that has reached the end of its useful lifespan, the Agency shall prioritize switching to high-efficiency, advanced wood heating systems that rely on woody biomass.

(b) On or before October 1 every other year, the Agency shall report to the Department of Buildings and General Services the percentage of the Agency's thermal energy usage during each of the previous two fiscal years that came from fossil fuels and from non-fossil fuels. The Agency shall report its non-fossil fuel percentage by fuel source and shall identify each type and amount of wood fuel used.

* * * Highway Maintenance * * *

Sec. 3. HIGHWAY MAINTENANCE

(a) Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Maintenance, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	42,757,951	42,757,951	0
Operat. Exp.	65,840,546	63,980,546	-1,860,000
Total	108,598,497	106,738,497	-1,860,000
<u>Sources of funds</u>			
State	107,566,483	105,706,483	-1,860,000
Federal	932,014	932,014	0
Inter Unit	100,000	100,000	0
Total	108,598,497	106,738,497	-1,860,000

(b) Restoring the fiscal year 2025 Maintenance Program appropriation and authorization to the level included in the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program shall be the top fiscal priority of the Agency.

(1) If there are unexpended State fiscal year 2024 appropriations of Transportation Fund monies, then, at the close of State fiscal year 2024, an amount up to \$1,860,000.00 of any unencumbered Transportation Fund monies appropriated in 2023 Acts and Resolves No. 78, Secs. B.900–B.922, which would otherwise be authorized to carry forward, is reappropriated for the Agency of Transportation's Proposed Fiscal Year 2025 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. 5(c) of this act, then the one-time Transportation Fund monies authorized for expenditure pursuant to Sec. 5(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 2025 Transportation Program for Maintenance, authorized spending is further amended to increase operating expenses by not more than \$1,860,000.00 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 2025 Transportation Program for Maintenance through the State fiscal year 2025 budget adjustment act.

* * * Town Highway Aid * * *

Sec. 4. TOWN HIGHWAY AID MONIES

Within the Agency of Transportation’s Proposed Fiscal Year 2025 Transportation Program for Town Highway Aid, and notwithstanding the provisions of 19 V.S.A. § 306(a), authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	28,672,753	29,532,753	860,000
Total	28,672,753	29,532,753	860,000
<u>Sources of funds</u>			
State	28,672,753	29,532,753	860,000
Total	28,672,753	29,532,753	860,000

* * * One-Time Public Transit Monies * * *

Sec. 5. ONE-TIME PUBLIC TRANSIT MONIES; GREEN MOUNTAIN TRANSIT; FARE COLLECTION, EVALUATION, AND REORGANIZATION; REPORT

(a) Project addition. The following project is added to the Agency of Transportation’s Proposed Fiscal Year 2025 Transportation Program: Increased One-Time Monies for Public Transit for Fiscal Year 2025.

(b) Authorization. Spending authority for Increased One-Time Monies for Public Transit for Fiscal Year 2025 is authorized as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	0	1,000,000	1,000,000
Total	0	1,000,000	1,000,000
<u>Sources of funds</u>			
State	0	1,000,000	1,000,000
Total	0	1,000,000	1,000,000

(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 shall distribute the authorization in subsection (b) of this section to Green Mountain Transit as one-time bridge funding for fiscal year 2025 while Green Mountain Transit stabilizes its finances, adjusts its service levels, and transitions to a sustainable funding model.

(e) Conditions; report. As a condition of receiving the grant funding, Green Mountain Transit shall do all of the following:

(1) begin collecting fares for urban and commuter transit service not later than June 1, 2024;

(2) in coordination with the Agency of Transportation, Special Service Transportation Agency, Rural Community Transportation, and Tri-Valley Transit, evaluate alternative options for delivering cost-effective urban fixed-route transit service, rural transit service, commuter service, and any other specialized services currently provided, and prepare a proposed implementation plan, including a three-year cost and revenue plan, for recommended service transitions; and

(3) submit to the House and Senate Committees on Transportation an interim report on or before November 15, 2024 and a final report on or before February 1, 2025, detailing the findings, recommendations, and implementation plan as described in subdivision (2) of this subsection.

* * * Agency of Transportation Duties; Bonding * * *

Sec. 6. 19 V.S.A. § 10 is amended to read:

§ 10. DUTIES

The Agency shall, except where otherwise specifically provided by law:

* * *

(9) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file an additional surety bond to the Secretary and the Secretary's successor in office, for the benefit of labor, materialmen, and others, executed by a surety company authorized to transact business in this State. The surety bond shall be in such sum as the Agency shall direct, conditioned for the payment, settlement, liquidation, and discharge of the claims of all creditors for material, merchandise, labor, rent, hire of vehicles, power shovels, rollers, concrete mixers, tools, and other appliances, professional services, premiums, and other services used or employed in carrying out the terms of the contract between the contractor and the State and further conditioned for the following accruing during the term of performance of the contract: the payment of taxes, both State and municipal, and contributions to the Vermont Commissioner of Labor;

~~accruing during the term of performance of the contract. However; provided,~~
however, in order to obtain the benefit of the security, the claimant shall file with the Secretary a sworn statement of the claimant's claim, within 90 days after the final acceptance of the project by the State or within 90 days from the time the taxes or contributions to the Vermont Commissioner of Labor are due and payable, and, within one year after the filing of the claim, shall bring a petition in the Superior Court in the name of the Secretary, with notice and summons to the principal, surety, and the Secretary, to enforce the claim or intervene in a petition already filed. The Secretary may, if the Secretary determines that it is in the best interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for \$100,000.00 or less, may waive the requirement of a surety bond.

* * *

* * * Delays; Transportation Program Statute;
 Increased Estimated Costs; Technical Corrections * * *

Sec. 7. 19 V.S.A. § 10g is amended to read:

§ 10g. ANNUAL REPORT; TRANSPORTATION PROGRAM;
 ADVANCEMENTS, CANCELLATIONS, AND DELAYS

(a) Proposed Transportation Program. The Agency of Transportation shall annually present to the General Assembly for adoption a multiyear Transportation Program covering the same number of years as the Statewide Transportation Improvement Program (STIP), consisting of the recommended budget for all Agency activities for the ensuing fiscal year and projected spending levels for all Agency activities for the following fiscal years. The Program shall include a description and year-by-year breakdown of recommended and projected funding of all projects proposed to be funded within the time period of the STIP and, in addition, a description of all projects that are not recommended for funding in the first fiscal year of the proposed Program but that are scheduled for construction during the time period covered by the STIP. The Program shall be consistent with the planning process established by 1988 Acts and Resolves No. 200, as codified in 3 V.S.A. chapter 67 and 24 V.S.A. chapter 117, the statements of policy set forth in sections 10b–10f of this title, and the long-range systems plan, corridor studies, and project priorities developed through the capital planning process under section 10i of this title.

(b) Projected spending. Projected spending in future fiscal years shall be based on revenue estimates as follows:

* * *

(c) Systemwide performance measures. The Program proposed by the Agency shall include systemwide performance measures developed by the Agency to describe the condition of the Vermont transportation network. The Program shall discuss the background and utility of the performance measures, track the performance measures over time, and, where appropriate, recommend the setting of targets for the performance measures.

(d) [Repealed.]

(e) Prior expenditures and appropriations carried forward.

* * *

(f) Adopted Transportation Program. Each year following ~~enactment~~ adoption of a Transportation Program under this section, the Agency shall prepare and make available to the public the Transportation Program established ~~adopted~~ by the General Assembly. The resulting document shall be entered in the permanent records of the Agency ~~and of the Board~~, and shall constitute the State's official Transportation Program.

(g) Project updates. The Agency's annual proposed Transportation Program shall include project updates referencing this section and listing the following:

(1) all proposed projects in the Program that would be new to the State Transportation Program ~~if adopted~~;

(2) all projects for which total estimated costs have increased by more than ~~\$8,000,000.00~~ \$5,000,000.00 from the estimate in the adopted Transportation Program for the prior fiscal year or by more than ~~100~~ 75 percent from the estimate in the ~~prior fiscal year's approved~~ adopted Transportation Program for the prior fiscal year; and

(3) all projects for which the total estimated costs have, for the first time, increased by more than \$10,000,000.00 from the Preliminary Plan estimate or by more than 100 percent from the Preliminary Plan estimate; and

(4) all projects funded for construction in the prior fiscal year's ~~approved~~ adopted Transportation Program that are no longer funded in the proposed Transportation Program submitted to the General Assembly, the projected costs for such projects in the prior fiscal year's ~~approved~~ adopted Transportation Program, and the total costs incurred over the life of each such project.

(h) Should Project delays; emergency and safety issues; additional funding; cancellations.

(1) ~~If~~ capital projects in the Transportation Program ~~be are~~ delayed because of unanticipated problems with permitting, right-of-way acquisition, construction, local concern, or availability of federal or State funds, the Secretary is authorized to advance other projects in the ~~approved~~ adopted Transportation Program for the current fiscal year.

(2) The Secretary is further authorized to undertake projects to resolve emergency or safety issues that are not included in the adopted Transportation Program for the current fiscal year. Upon authorizing a project to resolve an emergency or safety issue, the Secretary shall give prompt notice of the decision and action taken to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session, ~~and when the General Assembly is not in session,~~ to the Joint Transportation Oversight Committee, the Joint Fiscal Office, and the Joint Fiscal Committee when the General Assembly is not in session. ~~Should an approved~~

(3) ~~If a project in the current adopted~~ Transportation Program ~~require~~ for the current fiscal year requires additional funding to maintain the ~~approved~~ schedule in the adopted Transportation Program for the current fiscal year, the Agency is authorized to allocate the necessary resources. However, the Secretary shall not delay or suspend work on ~~approved~~ projects in the adopted Transportation Program for the current fiscal year to reallocate funding for other projects except when other funding options are not available. In such case, the Secretary shall notify the Joint Transportation Oversight Committee, the Joint Fiscal Office, and the Joint Fiscal Committee when the General Assembly is not in session and the House and Senate Committees on Transportation and the Joint Fiscal Office when the General Assembly is in session. With respect to projects in the approved Transportation Program, the Secretary shall notify, ~~in the district affected,~~ the regional planning commission for the district where the affected project is located, the municipality where the affected project is located, the legislators for the district where the affected project is located, the House and Senate Committees on Transportation, and the Joint Fiscal Office of any change that likely will affect the fiscal year in which the project is planned to go to construction.

(4) No project shall be canceled without the approval of the General Assembly, except that the Agency may cancel a municipal project upon the request or concurrence of the municipality, provided that notice of the cancellation is included in the Agency's annual proposed Transportation Program.

(i) Economic development proposals. For the purpose of enabling the State, without delay, to take advantage of economic development proposals

that increase jobs for Vermonters, a transportation project certified by the Governor as essential to the economic infrastructure of the State economy, or a local economy, may, if approval is required by law, be approved for construction by a committee comprising the Joint Fiscal Committee meeting with the ~~Chairs~~ chairs of the ~~Transportation House and Senate Committees on Transportation~~ or their designees without explicit project authorization through an ~~enacted~~ adopted Transportation Program, ~~in the event that such authorization is otherwise required by law.~~

(j) Plan for advancing projects. The Agency of Transportation, in coordination with the Agency of Natural Resources and the Division for Historic Preservation, shall prepare and implement a plan for advancing ~~approved~~ approved adopted Transportation Program for the current fiscal year. The plan shall include the assignment of a project manager from the Agency of Transportation for each project. The Agency of Transportation, the Agency of Natural Resources, and the Division for Historic Preservation shall set forth provisions for expediting the permitting process and establishing a means for evaluating each project during concept design planning if more than one agency is involved to determine whether it should be advanced or deleted from the Program.

(k) ~~For purposes of~~ Definition. As used in subsection (h) of this section, “emergency or safety issues” ~~shall mean~~ means:

(1) serious damage to a transportation facility caused by a natural disaster over a wide area, such as a flood, hurricane, earthquake, severe storm, or landslide; ~~or~~

(2) catastrophic or imminent catastrophic failure of a transportation facility from any cause; ~~or~~

(3) any condition identified by the Secretary as hazardous to the traveling public; or

(4) any condition evidenced by fatalities or a high incidence of crashes.

(l) Numerical grading system; priority rating. The Agency shall develop a numerical grading system to assign a priority rating to all Program Development Paving, Program Development Roadway, Program Development Safety and Traffic Operations, Program Development State and Interstate Bridge, Town Highway Bridge, and Bridge Maintenance projects. The rating system shall consist of two separate, additive components as follows:

(1) One component shall be limited to asset management- and performance-based factors that are objective and quantifiable and shall consider, ~~without limitation,~~ the following:

* * *

(2) The second component of the priority rating system shall consider, ~~without limitation,~~ the following factors:

* * *

(m) Inclusion of priority rating. The annual proposed Transportation Program shall include an individual priority rating pursuant to subsection (l) of this section for each highway paving, roadway, safety and traffic operations, and bridge project in the ~~program~~ Program along with a description of the system and methodology used to assign the ratings.

(n) Development and evaluation projects; delays. The Agency's annual proposed Transportation Program shall include a project-by-project description in each program of all proposed spending of funds for the development and evaluation of projects. ~~In the approved annual Transportation Program, these~~ These funds shall be reserved to the identified projects subject to the discretion of the Secretary to reallocate funds to other projects within the program when it is determined that the scheduled expenditure of the identified funds will be delayed due to permitting, local decision making, the availability of federal or State funds, or other unanticipated problems.

(o) Year of first inclusion. For projects initially ~~approved by the General Assembly for inclusion in the State~~ included in a Transportation Program adopted after January 1, 2006, the Agency's proposed Transportation Program prepared pursuant to subsection (a) of this section and the ~~official~~ adopted Transportation Program prepared pursuant to subsection (f) of this section shall include the year in which ~~such~~ the projects were first ~~approved by the General Assembly~~ included in an adopted Transportation Program.

(p) Lamoille Valley Rail Trail. The Agency shall include the annual maintenance required for the Lamoille Valley Rail Trail (LVRT), running from Swanton to St. Johnsbury, in the Transportation Program it presents to the General Assembly under subsection (a) of this section. The proposed authorization for the maintenance of the LVRT shall be sufficient to cover:

* * *

* * * Appropriation Calculations * * *

* * * Central Garage Fund * * *

Sec. 8. 19 V.S.A. § 13(c) is amended to read:

(c)(1) For the purpose specified in subsection (b) of this section, the following amount, at a minimum, 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 transferred for the previous fiscal year's amount by the percentage increase in the year increased by the percentage change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the two most recently closed State fiscal years if the percentage change is positive; or~~

~~(B) the amount transferred for the previous fiscal year if the percentage change is zero or negative.~~

* * *

(3) For purposes of subdivision (1) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the transfer will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the transfer will be made.

* * * Town Highway Aid * * *

Sec. 9. 19 V.S.A. § 306(a) is amended to read:

(a) General State aid to town highways.

(1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

~~(A) the year-over-year increase in the two most recently closed fiscal years in percentage change of the Agency's total appropriations funded by Transportation Fund revenues, excluding appropriations for town highways under this subsection (a), for the most recently closed fiscal year as compared to the fiscal year immediately preceding the most recently closed fiscal year; or~~

~~(B) the percentage increase change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the same period in subdivision (1)(A) of this subsection.~~

~~(2) If the year-over-year change in appropriations specified in either subdivision (1)(A) or (B) of this subsection is negative, then the appropriation to town highways under this subsection shall be equal to the previous fiscal~~

~~year's appropriation~~ For purposes of subdivision (1)(B) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the appropriation will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the appropriation will be made.

* * *

* * * Right-of-Way Permits; Fees * * *

Sec. 10. 19 V.S.A. § 1112 is amended to read:

§ 1112. DEFINITIONS; FEES

(a) As used in this section:

(1) "Major commercial development" means a commercial development for which the Agency requires the applicant to submit a traffic impact study in support of its application under section 1111 of this ~~title~~ chapter.

(2) "Minor commercial development" means a commercial development for which the Agency does not require the applicant to submit a traffic impact study in support of its application under section 1111 of this ~~title~~ chapter.

* * *

(b) The Secretary shall collect the following fees for each application for the following types of permits issued pursuant to section 1111 of this ~~title~~ chapter:

* * *

(3) minor commercial development: \$250.00

* * *

(c) Notwithstanding subdivision (b)(3) of this section, the Secretary may waive the collection of the fee for a permit issued pursuant to section 1111 of this chapter for a minor commercial development if the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and the Secretary has determined that the permit applicant is facing hardship, provided that the permit is applied for during the declared state of emergency or within the six months following the conclusion of the declared state of emergency.

* * * Vehicle Incentive Programs * * *

* * * Replace Your Ride Program * * *

Sec. 11. 19 V.S.A. § 2904(d)(2)(B) is amended to read:

(B) For purposes of the Replace Your Ride Program:

(i) An “older low-efficiency vehicle”:

* * *

(VI) passed the annual inspection required under 23 V.S.A. § 1222 within the prior year 18 months.

Sec. 12. 19 V.S.A. § 2904a is added to read:

§ 2904a. REPLACE YOUR RIDE PROGRAM FLEXIBILITY;
EMERGENCIES

Notwithstanding subdivisions 2904(d)(2)(A) and (d)(2)(B)(i)(IV)–(VI) of this chapter, the Agency of Transportation is authorized to waive or modify the eligibility requirements for the Replace Your Ride Program under subdivisions (d)(2)(B)(i)(IV)–(VI) that pertain to the removal of an eligible vehicle as required under subdivision 2904(d)(2)(A) of this chapter provided that:

(1) the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and, due to the event or events underlying the state of emergency, motor vehicles registered in Vermont have been damaged or totaled;

(2) the waived or modified eligibility requirements are prominently posted on any websites maintained by or at the direction of the Agency for purposes of providing information on the vehicle incentive programs;

(3) the waived or modified eligibility requirements are only applicable:

(A) upon a showing that the applicant for an incentive under the Replace Your Ride Program was a registered owner of a motor vehicle that was damaged or totaled due to the event or events underlying the state of emergency at the time of the event or events underlying the state of emergency; and

(B) for six months after the conclusion of the state of emergency; and

(4) the waiver or modification of eligibility requirements and resulting impact are addressed in the annual reporting required under section 2905 of this chapter.

* * * Electrify Your Fleet Program * * *

Sec. 13. 2023 Acts and Resolves No. 62, Sec. 21 is amended to read:

Sec. 21. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

* * *

(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:

* * *

(2) provide ~~\$2,500.00~~ purchase and lease incentives up to 25 percent of the purchase price, but not to exceed \$2,500.00, for:

* * *

(C) electric bicycles and electric cargo bicycles with a base MSRP of ~~\$6,000.00~~ \$10,000.00 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;
and

(G) electric all-terrain vehicles (ATVs), as defined in 23 V.S.A. § 3501 and including electric utility terrain vehicles (UTVs), with a base MSRP of \$50,000.00 or less;

* * *

* * * eBike Incentives; Eligibility * * *

Sec. 14. 2023 Acts and Resolves No. 62, Sec. 22 is amended to read:

Sec. 22. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM;
REPORT

* * *

(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~~ annual 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 a description of the Agency's post-voucher sampling audits and audit findings, together with any recommendations to improve program design and cost-effectively direct funding to recipients who need it most; and

(5) a detailed summary of information collected through participant surveys.

* * * Annual Reporting * * *

Sec. 15. 19 V.S.A. § 2905 is amended to read:

§ 2905. ANNUAL REPORTING; VEHICLE INCENTIVE PROGRAMS

(a) The Agency shall annually evaluate the programs established under sections 2902–2904 of this chapter to gauge effectiveness and shall submit a written report on the effectiveness of the programs and the State's marketing and outreach efforts related to the programs to the House and Senate Committees on Transportation, the House Committee on Environment and Energy, and the Senate Committee on ~~Finance~~ Natural Resources and Energy 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; and

(3) any recommendations for how to better conduct outreach and marketing to ensure the greatest possible uptake of incentives under the programs.

(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.

* * * Authority to Transfer Monies in State Fiscal Year 2025 * * *

Sec. 16. TRANSFER OF MONIES BETWEEN VEHICLE INCENTIVE PROGRAMS IN STATE FISCAL YEAR 2025

(a) Notwithstanding 32 V.S.A. § 706 and any appropriations or authorizations of monies for vehicle incentive programs created under 19 V.S.A. §§ 2902–2904, in State fiscal year 2025 the Secretary of Transportation may transfer up to 50 percent of any remaining monies for a vehicle incentive program created under 19 V.S.A. §§ 2902–2904 to any other vehicle incentive program created under 19 V.S.A. §§ 2902–2904 that has less than \$500,000.00 available for distribution as a vehicle incentive.

(b) Any transfers made pursuant to subsection (a) of this section shall be reported to the Joint Transportation Oversight Committee and the Joint Fiscal Office within 30 days after the transfer.

* * * Electric Vehicle Supply Equipment (EVSE) * * *

Sec. 17. 19 V.S.A. chapter 29 is amended to read:

CHAPTER 29. VEHICLE INCENTIVE PROGRAMS; ELECTRIC VEHICLE SUPPLY EQUIPMENT

§ 2901. DEFINITIONS

As used in this chapter:

* * *

(4) “Electric vehicle supply equipment (EVSE)” and “electric vehicle supply equipment available to the public” have the same meanings as in 30 V.S.A. § 201.

(5) “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).

* * *

§ 2906. ELECTRIC VEHICLE SUPPLY EQUIPMENT GOALS

It shall be the goal of the State to have, as practicable, level 3 EVSE charging ports available to the public:

(1) within three driving miles of every exit of the Dwight D. Eisenhower National System of Interstate and Defense Highways within the State;

(2) within 25 driving miles of another level 3 EVSE charging port available to the public along a State highway, as defined in subdivision 1(20) of this title; and

(3) co-located with or within a safe and both walkable and rollable distance of publicly accessible amenities such as restrooms, restaurants, and convenience stores to provide a safe, consistent, and convenient experience for the traveling public along the State highway system.

§ 2907. ANNUAL REPORTING; ELECTRIC VEHICLE SUPPLY EQUIPMENT

(a) Notwithstanding 2 V.S.A. § 20(d), the Agency of Transportation shall:

(1) file a report, with a map, on the State's efforts to meet its federally required Electric Vehicle Infrastructure Deployment Plan, as updated, and the goals set forth in section 2906 of this chapter with the House and Senate Committees on Transportation not later than January 15 each year until the Deployment Plan is met; and

(2) file a report on the current operability of EVSE available to the public and deployed through the assistance of Agency funding with the House and Senate Committees on Transportation not later than January 15 each year.

(b) The reports required under subsection (a) of this section can be combined when filing with the House and Senate Committees on Transportation and shall prominently be posted on the Agency of Transportation's website.

Sec. 18. REPEAL OF CURRENT EVSE MAP REPORT AND EXISTING GOALS

2021 Acts and Resolves No. 55, Sec. 30, as amended by 2022 Acts and Resolves No. 184, Sec. 4 (EVSE network in Vermont goals; report of annual map) is repealed.

* * * Beneficial Electrification Report * * *

Sec. 19. ELECTRIC DISTRIBUTION UTILITIES; EVSE-RELATED SERVICE UPGRADES; REPORT

In the report due not later than January 15, 2025, pursuant to 2021 Acts and Resolves No. 55, Sec. 33, the Public Utility Commission shall include a reporting of service upgrade practices related to the installation of electric vehicle supply equipment (EVSE) across all electric distribution utilities, including a comparison of EVSE-related service upgrade practices, a description of the frequency and typical costs of EVSE-related service upgrades, and rate-payer impact.

* * * Expansion of Public Transit Service * * *

* * * Mobility Services Guide; Car Share * * *

Sec. 20. MOBILITY SERVICES GUIDE; ORAL UPDATE

(a) The Agency of Transportation, in consultation with existing nonprofit mobility services organizations incorporated in the State of Vermont for the purpose of providing Vermonters with transportation alternatives to personal

vehicle ownership, such as through carsharing, and other nonprofit organizations working to achieve the goals of the Comprehensive Energy Plan, the Vermont Climate Action Plan, and the Agency of Transportation's community engagement plan for environmental justice, shall develop a web-page-based guide to outline the different mobility service models that could be considered for deployment in Vermont.

(b) At a minimum, the web-page-based guide required under subsection (a) of this section shall include the following:

(1) definitions of program types or options, such as car sharing, mobility for all, micro-transit, bike sharing, and other types of programs that meet the goals identified in subsection (a) of this section;

(2) information related to existing initiatives, including developmental and pilot programs, that meet any of the program types or options defined pursuant to subdivision (1) of this subsection and information related to any pertinent studies or reports, whether completed or ongoing, related to the program types or options defined pursuant to subdivision (1) of this subsection;

(3) details of other existing programs that may provide a foundation for or complement a new program in a manner that is not duplicative or competitive; and

(4) for each possible program type or option defined pursuant subdivision (1) of this subsection, additional details outlining:

(A) the range of start-up, capital, facilities, and ongoing operating and maintenance costs;

(B) the service area characteristics;

(C) the revenue capture options;

(D) technical assistance resources; and

(E) existing or potential funding resources.

(c) The Agency of Transportation shall make itself available to provide an oral update and demonstration of the web-page-based guide required under subsection (a) of this section to the House and Senate Committees on Transportation not later than February 15, 2025.

* * * Mobility and Transportation Innovations (MTI) Grant Program * * *

Sec. 21. 19 V.S.A. § 10n is added to read:

§ 10n. MOBILITY AND TRANSPORTATION INNOVATIONS (MTI)
GRANT PROGRAM

(a) The Mobility and Transportation Innovations (MTI) Grant Program is created within the Public Transit Section of the Agency. The MTI Grant Program shall support innovative transportation demand management programs and transit initiatives that improve mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, reduce greenhouse gas emissions, and complement existing mobility investments.

(b) Grant awards of not more than \$100,000.00 per recipient for capital or operational costs, or both, may be used to create new or expand existing programs for one or more of the following: matching funds for other grant awards; program delivery costs; or the extension of existing programs.

(c) Funding under the MTI Grant Program shall not be used to supplant existing State funding for the same project or program.

(d) In each year in which funding for grants is available:

(1) The Agency shall establish an application period of at least four months.

(2) The Agency shall provide direct assistance to entities requiring technical assistance or prereview of a draft application during the application period.

(3) Grant awards shall be distributed not later than November 30 in each year in which they are offered.

* * * Vermont Rail Plan; Amtrak * * *

Sec. 22. DEVELOPMENT OF NEW VERMONT RAIL PLAN; BICYCLE STORAGE; REPORT

(a) As the Agency of Transportation develops the new Vermont Rail Plan, it shall consider and address the following:

(1) adding additional daily service on the Vermonter for some or all of the service area; and

(2) expanding service on the Valley Flyer to provide increased service on the Vermonter route.

(b) The Agency of Transportation shall consult with Amtrak and the State-Amtrak Intercity Passenger Rail Committee (SAIPRC) on passenger education of and sufficient capacity for bicycle storage on Amtrak trains on the Vermonter and Ethan Allen Express routes.

(c) The Agency of Transportation shall provide an oral update on the development of the Vermont Rail Plan in general and the requirements of

subsection (a) of this section specifically and the consultation efforts required under subsection (b) of this section to the House and Senate Committees on Transportation not later than February 15, 2025.

* * * Replacement for the Vermont State Design Standards * * *

Sec. 23. REPLACEMENT FOR THE VERMONT STATE DESIGN STANDARDS

(a) In preparing the replacement for the Vermont State Design Standards, the Agency of Transportation shall do all of the following:

(1) Release a draft of the replacement to the Vermont State Design Standards and related documents not later than January 1, 2026.

(2) Conduct not fewer than four public hearings across the State concerning the replacement to the Vermont State Design Standards and related documents.

(3) Provide a publicly available responsiveness summary detailing the public participation activities conducted in developing the final draft of the replacement for the Vermont State Design Standards and related documents, as applicable; a description of the matters on which members of the public or stakeholders, or both, were consulted; a summary of the views of the participating members of the public and stakeholders; and significant comments, criticisms, and suggestions received by the Agency and the Agency's specific responses, including an explanation of any modifications made in response.

(4) In alignment with the Vermont Transportation Equity Framework, consult directly, through a series of large-group, specialty focus groups and one-on-one meetings, with key stakeholders in order to achieve stakeholder engagement and afford a voice in the development of the replacement for the Vermont State Design Standards and related documents. At a minimum, stakeholders shall include the House and Senate Committees on Transportation, the Federal Highway Administration (FHWA), the Vermont Agency of Commerce and Community Development (ACCD), the Vermont Agency of Natural Resources (ANR), the Vermont Department of Health (VDH), the Vermont Department of Public Service (DPS), the Vermont League of Cities and Towns (VLCT), Vermont's regional planning commissions (RPCs), the Vermont chapter of the American Association of Retired Persons (AARP), Transportation for Vermonters (T4VT), Local Motion, the Sierra Club, Conservation Law Foundation, the Vermont Natural Resources Council, the Vermont Truck and Bus Association, the Vermont Public Transportation Association (VPTA), the American Council of Engineering Companies (ACEC), the Association of General Contractors (AGC), and other stakeholders.

(b) The Agency shall provide oral updates on its progress preparing the replacement to the Vermont State Design Standards, including the process required under subsection (a) of this section, to the House and Senate Committees on Transportation not later than February 15, 2025 and February 15, 2026.

* * * Complete Streets; Traffic Calming Measures; Designated Centers * * *

Sec. 24. 19 V.S.A. §§ 2402 and 2403 are amended to read:

§ 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; and

(4) when desired by the municipality:

(A) implement street design for purposes of calming and slowing traffic in State-designated centers under 24 V.S.A. chapter 76A; and

(B) support the land uses that develop and evolve in tandem with transit and accessibility, including those that provide enhanced benefits to the public, such as through improved health and access to employment, services, and housing.

§ 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:

* * *

(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, but shall not need to address, in the supplemental written determination, any design elements desired by the municipality pursuant to subdivision 2402(b)(4)(B) of this chapter.

* * *

(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:

* * *

(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, but shall not need to address, in the supplemental written determination, any design elements desired by the municipality pursuant to subdivision 2402(b)(4)(B) of this chapter.

* * *

* * * Sustainability of Vermont's Transportation System; Emissions
Reductions * * *

Sec. 25. ANALYSIS AND REPORT ON SUSTAINABILITY OPTIONS;
TRANSPORTATION EMISSIONS REDUCTIONS

(a) Findings of fact. The General Assembly finds:

(1) A majority of the Vermont Climate Council (VCC) voted to recommend participation in the Transportation & Climate Initiative Program (TCI-P), a regional cap-and-invest program, as a lead policy and regulatory approach to reduce emissions from the transportation sector in the Vermont Climate Action Plan (CAP), adopted in December 2021.

(2) Shortly before adoption of the CAP in December 2021, participating in TCI-P became unviable and the VCC agreed to include in the CAP that the VCC would continue work on an alternative recommendation to reduce emissions from the transportation sector in Vermont and pursue participating in TCI-P if it again became viable.

(3) An addendum to the CAP, supported by a majority of the VCC, stated that: “The only currently known policy options for which there is strong evidence from other states, provinces[,] and countries of the ability to confidently deliver the scale and pace of emissions reductions that are required of the transportation sector by the [Global Warming Solutions Act (GWSA)] are one or a combination of: a) a cap and invest/cap and reduce policy covering transportation fuels and/or b) a performance standard/performance-based regulatory approach covering transportation fuels. Importantly, based on research associated with their potential implementation, these approaches can also be designed in a cost-effective and equitable manner.”

(4) The development of the State’s Carbon Reduction Strategy (CRS), which is required by the Federal Highway Administration (FHWA) pursuant to the federal Infrastructure Investment and Jobs Act (IIJA) for states to access federal monies under the Carbon Reduction Program and required by the General Assembly pursuant to 2023 Acts and Resolves No. 62, Sec. 31, and the accompanying planning and public engagement process provided the Cross Section Mitigation Subcommittee of the VCC a timely opportunity to undertake additional analysis required for a potential preferred recommendation or recommendations to fill the gap in reductions of transportation emissions.

(5) The CRS, which was filed with the FHWA in November 2023, models that the State may meet its 2025 reduction requirement in the transportation sector, but that, even with additional investments for programmatic, policy, and regulatory options, the modeling shows a gap between projected “business as usual” emissions in the transportation sector and the portion of GWSA emission reduction requirements for 2030 and 2050 that are attributable to the transportation sector.

(6) The CRS reaffirms that, without adoption of additional polices, the portion of GWSA emission reduction requirements for 2030 and 2050 that are attributable to the transportation sector will not be met and states that: “Of the additional programs, a cap-and-invest and/or Clean Transportation Standard program are likely the two most promising options to close the gap in projected emissions vs. required emissions levels for the transportation sector. . .”

(7) There remains a need for further, more detailed analysis of policy options.

(b) Written analysis. The Agency of Natural Resources, specifically the Climate Action Office, and the Agency of Transportation, in consultation with the State Treasurer; the Departments of Finance and Management, of Motor Vehicles, and of Taxes; and the VCC, including those councilors appointed by the General Assembly to provide expertise in energy and data analysis, expertise and professional experience in the design and implementation of programs to reduce greenhouse gas emissions, and representation of a statewide environmental organization as outlined in the adopted January 12, 2024 Transportation Addendum to the Climate Action Plan, shall prepare a written analysis of policy and investment scenarios to reduce emissions in the transportation sector in Vermont and meet the greenhouse gas reduction requirements of 10 V.S.A. § 578, as amended by Sec. 3 of the Global Warming Solutions Act (2020 Acts and Resolves No. 153).

(c) Scenario development. At a minimum, the written analysis required under subsection (b) of this section shall address the pros, cons, costs, and benefits of the following:

(1) Vermont participating in regional or cap-and-invest program, such as the Western Climate Initiative (WCI) and the New York Cap-and-Invest program;

(2) Vermont adopting a clean transportation fuel standard, which would be a performance standard or performance-based regulatory approach covering transportation fuels; and

(3) Vermont implementing other potential revenue-raising, carbon-pollution reduction strategies.

(d) Emission reduction scenarios; administration. The written analysis shall include an estimate of the amount of emissions reduction to be generated from a minimum of four scenarios, to include a business-as-usual, low-, medium-, and high-greenhouse gas emissions reduction, analyzed under subsection (c) of this section and a summary of how each proposal analyzed under subsection (c) of this section would be administered.

(e) Revenue and cost estimate; timeline. The written analysis completed pursuant to subsections (b)–(d) of this section shall be provided to the State Treasurer to review cost and revenue projections for each scenario. The State Treasurer shall make a written recommendation to the General Assembly regarding any viable approaches.

(f) Public access; committees; due date.

(1) The Climate Action Office shall maintain a publicly accessible website with information related to the development of the written analysis required under subsection (b) of this section.

(2) The Agencies of Natural Resources and of Transportation, in consultation with the State Treasurer, shall file a status update on the development of the written analysis required under subsection (b) of this section with the House and Senate Committees on Transportation, the House Committees on Environment and Energy and on Ways and Means, and the Senate Committees on Finance and on Natural Resources and Energy not later than November 15, 2024.

(3) The Agencies of Natural Resources and of Transportation, in consultation with the State Treasurer, shall file the written analysis required under subsection (b) of this section and the State Treasurer’s written recommendation to the General Assembly regarding any viable approaches required under subsection (e) of this section with the House and Senate Committees on Transportation, the House Committees on Environment and Energy and on Ways and Means, and the Senate Committees on Finance and on Natural Resources and Energy not later than February 15, 2025.

(g) Use of consultant. The Agencies of Natural Resources and of Transportation shall retain a consultant that is an expert in comprehensive transportation policy with a core focus on emission reductions and economic modeling to undertake the analysis and to provide the State Treasurer with any additional information needed to inform the State Treasurer’s recommendations regarding any viable approaches required under subsections (b)–(e) of this section.

(h) Costs.

(1) If the costs of the consultant required under subsection (g) of this section are eligible expenditures under the U.S. Environmental Protection Agency’s (EPA) Climate Pollution Reduction Grants (CPRG) program, then that shall be the source of funding to cover the costs of the consultant required under subsection (g) of this section.

(2) The State Treasurer may use funds appropriated in State fiscal year 2025 to complete the work required under subsection (e) of this section, including administrative costs and third-party consultation.

* * * Better Connections Grant Program * * *

Sec. 26. 19 V.S.A. § 319 is added to read:

§ 319. BETTER CONNECTIONS GRANT PROGRAM

(a) The Better Connections Grant Program is created and shall be administered and staffed by the Policy, Planning and Research Bureau of the Agency in collaboration with the Agency of Commerce and Community Development and the Agency of Natural Resources.

(b) The Program shall be funded through appropriations to the Agency for policy, planning, and research.

(c) The Program shall provide planning grants to aid municipalities to coordinate municipal land use decisions with transportation investments that build community resilience to:

(1) provide a safe, multimodal, and resilient transportation system that supports the Vermont economy;

(2) support downtown and village economic development and revitalization efforts; and

(3) lead directly to project implementation demonstrated by municipal capacity and readiness to implement.

* * * Electric and Plug-In Hybrid Vehicles; Road Usage Surcharge * * *

Sec. 27. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

(a) The annual registration fee for a pleasure car, 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 \$89.00, and the biennial fee shall be \$163.00.

(b) The Commissioner shall collect an annual road usage surcharge for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial road usage surcharge equal to two times the annual fee collected in subsection (a) of this section.

(c) The Commissioner shall collect an annual road usage surcharge for a pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision 4(85)(B) of this title, equal to one-half the amount of the annual fee collected in subsection (a) of this section, or a biennial road usage surcharge equal to the annual fee collected in subsection (a) of this section.

(d) The annual and biennial road usage surcharges collected in subsections

(b) and (c) of this section shall be allocated to the Transportation Fund for the purpose of increasing Vermonters' access to electric vehicle supply equipment (EVSE) charging ports through a program or programs selected by the Secretary, which may include programs administered by the Agency of Commerce and Community Development.

Sec. 28. ROAD USAGE SURCHARGE; ELECTRIC VEHICLES

The Department of Motor Vehicles shall implement a public outreach campaign regarding road usage surcharges for battery electric vehicles and plug-in electric hybrid vehicles not later than October 1, 2024. The campaign shall disseminate information on the Department's web page and through other outreach methods.

Sec. 29. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

* * *

~~(b) The Commissioner shall collect an annual road usage surcharge for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial road usage surcharge equal to two times the annual fee collected in subsection (a) of this section. [Repealed.]~~

* * *

~~(d) The annual and biennial road usage surcharges collected in subsections (b) and subsection (c) of this section shall be allocated to the Transportation Fund for the purpose of increasing Vermonters' access to electric vehicle supply equipment (EVSE) charging ports through a program or programs selected by the Secretary, which may include programs administered by the Agency of Commerce and Community Development.~~

* * * Central Garage; Authority to Purchase Real Property * * *

Sec. 30. CENTRAL GARAGE; REAL PROPERTY; FACILITY DESIGN;
AUTHORITY

(a) Pursuant to 19 V.S.A. § 26(b), the Secretary of Transportation is authorized to use up to \$2,000,000.00 in Central Garage Fund reserve funds for the purpose of purchasing real property of approximately 23.5 acres on the Paine Turnpike in Berlin, adjacent to State-owned property, on which to site a new Central Garage.

(b) Notwithstanding 19 V.S.A. § 13(a), the Secretary may use Central Garage Fund reserve funds for design services necessary to construct a new Central Garage on the Berlin site.

* * * Railroad Leases * * *

Sec. 31. 5 V.S.A. § 3405 is amended to read:

§ 3405. LEASE FOR CONTINUED OPERATION

(a) ~~The Secretary, as agent for the State, with the approval of the Governor and the General Assembly or, if the General Assembly is not in session, approval of a special committee consisting of the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Transportation,~~ is authorized to lease or otherwise arrange for the continued operation of all or any State-owned railroad property to any responsible person, provided that approval for the operation, if necessary, is granted by the federal Surface Transportation Board under 49 C.F.R. Part 1150 (certificate to construct, acquire, or operate railroad lines). The transaction shall be subject to any further terms and conditions as in the opinion of the Secretary are necessary and appropriate to accomplish the purpose of this chapter.

(b) To preserve continuity of service on State-owned railroads, the Secretary may enter into a short-term lease or operating agreement, for a term not to exceed six months, with a responsible railroad operator. ~~Within 10 days of entering into any lease or agreement, the Secretary shall report the details of the transaction to the members of the House and Senate Committees on Transportation.~~

* * * Traffic Control Devices; Adoption of MUTCD Revisions * * *

Sec. 32. 23 V.S.A. § 1025 is amended to read:

§ 1025. STANDARDS

(a) The U.S. Department of Transportation Federal Highway Administration's Manual on Uniform Traffic Control Devices for Streets and Highways (MUTCD) ~~for streets and highways,~~ as amended, shall be the standards for all traffic control signs, signals, and markings within the State. Revisions to the MUTCD shall be adopted according to the implementation or compliance dates established in federal rules.

(b) ~~The latest revision of the MUTCD shall be adopted upon its effective date except in the case of~~ To the extent consistent with federal law, projects beyond a preliminary state of design that are anticipated to be constructed within two years of the otherwise applicable effective date; ~~such projects may be constructed according to the MUTCD standards applicable at the design stage.~~

(c) Existing signs, signals, and markings shall be valid until such time as they are replaced or reconstructed. When new traffic control devices are erected or placed or existing traffic control devices are replaced or repaired,

the equipment, design, method of installation, placement, or repair shall conform with the MUTCD.

~~(b)~~(d) The standards of the MUTCD shall apply for both State and local authorities as to traffic control devices under their respective jurisdiction.

~~(e)~~(e) Traffic and control signals at intersections with exclusive pedestrian walk cycles shall be of sufficient duration to allow a pedestrian to leave the curb and travel across the roadway before opposing vehicles receive a green light. Determination of the length of the signal shall take into account the circumstances of persons with ambulatory disabilities.

* * * Reporting Requirements; Repeal * * *

Sec. 33. 19 V.S.A. § 7(k) is amended to read:

~~(k) Upon being apprised of the enactment of a federal law that makes provision for a federal earmark or the award of a discretionary federal grant for a transportation project within the State of Vermont, the Agency shall promptly notify the members of the House and Senate Committees on Transportation and the Joint Fiscal Office. Such notification shall include all available summary information regarding the terms and conditions of the federal earmark or grant. As used in this section, "federal earmark" means a congressional designation of federal aid funds for a specific transportation project or program. When the General Assembly is not in session, upon obtaining the approval of the Joint Transportation Oversight Committee, the Agency is authorized to add new projects to the Transportation Program in order to secure the benefits of federal earmarks or discretionary grants. [Repealed.]~~

Sec. 34. 19 V.S.A. § 42 is amended to read:

§ 42. ~~REPORTS PRESERVED; CONSOLIDATED TRANSPORTATION~~
REPORT

~~(a) Notwithstanding 2 V.S.A. § 20(d), the reports or reporting requirements of this section, sections 10g and 12a, and subsections 7(k), 10b(d), 11f(i), and 12b(d) of this title shall be preserved absent specific action by the General Assembly repealing the reports or reporting requirements.~~

~~(b) Annually, on or before January 15, the Agency shall submit a consolidated transportation system and activities report to the House and Senate Committees on Transportation. The report shall consist of:~~

~~(1) Financial and performance data of all public transit systems, as defined in 24 V.S.A. § 5088(6), that receive operating subsidies in any form from the State or federal government, including subsidies related to the Elders and Persons with Disabilities Transportation Program for service and capital~~

equipment. This component of the report shall:

~~(A) be developed in cooperation with the Public Transit Advisory Council;~~

~~(B) be modeled on the Federal Transit Administration's National Transit Database Program with such modifications as appropriate for the various services and guidance found in the most current State policy plan; and~~

~~(C) show as a separate category financial and performance data on the Elders and Persons with Disabilities Transportation Program.~~

~~(2) Data on pavement conditions of the State highway system.~~

~~(3) A description of the conditions of bridges, culverts, and other structures on the State highway system and on town highways.~~

~~(4) Department of Motor Vehicles data, including the number of vehicle registrations and licenses issued, revenues by category, transactions by category, commercial motor vehicle statistics, and any other information the Commissioner deems relevant.~~

~~(5) A summary of updates to the Agency's strategic plans and performance measurements used in its strategic plans.~~

~~(6) A summary of the statuses of aviation, rail, and public transit programs.~~

~~(7) Data and statistics regarding highway safety, including trends in vehicle crashes and fatalities, traffic counts, and trends in vehicle miles traveled.~~

~~(8) An overview of operations and maintenance activities, including winter maintenance statistics.~~

~~(9) A list of projects for which the construction phase was completed during the most recent construction season.~~

~~(10) Such other information that the Secretary determines the Committees on Transportation need to perform their oversight role.~~

* * * Effective Dates * * *

Sec. 35. EFFECTIVE DATES

(a) This section, Sec. 30 (central garage; purchase of real property), and Sec. 31 (railroad leases; 5 V.S.A. § 3405) shall take effect on passage.

(b) Sec. 27 (electric vehicle road usage surcharge; 23 V.S.A. § 361) shall take effect on passage and shall be fully implemented not later than January 1, 2025.

(c) Sec. 29 (amendments to electric vehicle road usage surcharges; 23 V.S.A. § 361) shall take effect on the effective date of a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A).

(d) All other sections shall take effect on July 1, 2024.

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 bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Transportation.

Senator Perchlik, 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 Transportation with the following amendments thereto:

First: By striking out Sec. 24, 19 V.S.A. §§ 2402 and 2403, and its reader assistance heading, in their entireties and inserting in lieu thereof the following:

* * * Complete Streets; Traffic Calming Measures; Designated Centers * * *

Sec. 24. 19 V.S.A. §§ 2402 and 2403 are amended to read:

§ 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; and

(4) when desired by the municipality or specifically identified in the regional plan, implement street design for purposes of calming and slowing traffic in State-designated centers under 24 V.S.A. chapter 76A.

§ 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:

* * *

(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. The supplemental written determination shall also address any design elements that were desired by the municipality or specifically identified in the regional plan pursuant to subdivision 2402(b)(4) of this chapter but were not incorporated.

* * *

(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:

* * *

(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. The supplemental written determination shall also address any

design elements that were desired by the municipality or specifically identified in the regional plan pursuant to subdivision 2402(b)(4) of this chapter but were not incorporated.

* * *

Second: By striking out Secs. 27–29, and their reader assistance heading, in their entirety and inserting in lieu thereof the following:

* * * Electric and Plug-In Hybrid Vehicles; EV Infrastructure Fee * * *

Sec. 27. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

(a) The annual registration fee for a pleasure car, 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 \$89.00, and the biennial fee shall be \$163.00.

(b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section.

(c) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual EV infrastructure fee for a pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision 4(85)(B) of this title, equal to one-half the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to the annual fee collected in subsection (a) of this section.

(d) The annual and biennial EV infrastructure fees collected in subsections (b) and (c) of this section shall be allocated to the Transportation Fund for the purpose of increasing Vermonters' access to electric vehicle supply equipment (EVSE) charging ports through a program or programs selected by the Secretary, which may include programs administered by the Agency of Commerce and Community Development.

Sec. 28. EV INFRASTRUCTURE FEE; ELECTRIC VEHICLES

The Department of Motor Vehicles shall implement a public outreach campaign regarding EV infrastructure fees for battery electric vehicles and plug-in electric hybrid vehicles not later than October 1, 2024. The campaign shall disseminate information on the Department's web page and through other outreach methods.

Sec. 29. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

* * *

~~(b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section. [Repealed.]~~

* * *

~~(d) The annual and biennial EV infrastructure fees collected in subsections (b) and subsection (c) of this section shall be allocated to the Transportation Fund for the purpose of increasing Vermonters' access to electric vehicle supply equipment (EVSE) charging ports through a program or programs selected by the Secretary, which may include programs administered by the Agency of Commerce and Community Development.~~

Third: In Sec. 34, 19 V.S.A. § 42, following “subsections”, by striking out “7(k),” and inserting in lieu thereof “7(k),”

Fourth: By adding a new reader assistance heading and a new section to be Sec. 34a to read as follows:

* * * MileageSmart; Income Eligibility * * *

Sec. 34a. 19 V.S.A. § 2903 is amended to read:

§ 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; provided, however, that the Agency of Transportation may reduce the income eligibility threshold based on available funding or applicant volume, or both, in order to prioritize vouchers for households with lower income.

* * *

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, and the recommendation of proposal of amendment of the Committee on Transportation was amended as recommended by the Committee on Appropriations.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Transportation, as amended?, Senator McCormack requested that the question be divided and that Secs. 27 through 29 be voted on separately.

Thereupon, the pending question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Transportation, as amended, in Secs. 27 through 29?, was agreed to.

Thereupon, the remaining sections of the proposal of amendment recommended by the Committee on Transportation, as amended, were agreed to and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 27.

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

An act relating to coercive controlling behavior and abuse prevention orders.

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. 15 V.S.A. § 1101 is amended to read:

§ 1101. DEFINITIONS

The following words as used in this chapter shall have the following meanings As used in this chapter:

(1) “Abuse” means:

(A) the occurrence of one or more of the following acts between family or household members:

~~(A)(i) Attempting attempting~~ to cause or causing physical harm;

~~(B)(ii) Placing placing~~ another in fear of imminent serious physical harm;

~~(C)(iii) Abuse abuse~~ to children as defined in 33 V.S.A. chapter 49, subchapter 2;

~~(D)(iv) Stalking stalking~~ as defined in 12 V.S.A. § 5131(6); or

~~(E)(v) Sexual sexual~~ assault as defined in 12 V.S.A. § 5131(5); or

(B) coercive controlling behavior between family or household members.

(2) “Coercive controlling behavior” means a pattern of behavior that in purpose or effect unreasonably interferes with a person’s free will and personal liberty. “Coercive controlling behavior” includes unreasonably engaging in any of the following:

(A) isolating the family or household member from friends, relatives or other sources of support;

(B) depriving the family or household member of basic necessities;

(C) controlling, regulating or monitoring the family or household member’s movements, communications, daily behavior, finances, economic resources, or access to services;

(D) compelling the family or household member by force, threat or intimidation, including threats based on actual or suspected immigration status, to:

(i) engage in conduct from which such family or household member has a right to abstain; or

(ii) abstain from conduct that such family or household member has a right to pursue;

(E) committing or threatening to commit cruelty to animals that intimidates the family or household member; or

(F) forced sex acts or threats of a sexual nature, including threatened acts of sexual conduct, threats based on a person’s sexuality, or threats to release sexual images.

(3) “Household members” means persons who, for any period of time, are living or have lived together, are sharing or have shared occupancy of a dwelling, are engaged in or have engaged in a sexual relationship, or minors or adults who are dating or who have dated. “Dating” means a social relationship of a romantic nature. Factors that the court may consider when determining whether a dating relationship exists or existed include:

- (A) the nature of the relationship;
- (B) the length of time the relationship has existed;
- (C) the frequency of interaction between the parties; and
- (D) the length of time since the relationship was terminated, if applicable.

~~(3)~~(4) A “foreign abuse prevention order” means any protection order issued by the court of any other state that contains provisions similar to relief provisions authorized under this chapter, the Vermont Rules for Family Proceedings, 33 V.S.A. chapter 69, or 12 V.S.A. chapter 178.

~~(4)~~(5) “Other state” and “issuing state” shall mean any state other than Vermont and any federally recognized Indian tribe, territory or possession of the United States, the Commonwealth of Puerto Rico, or the District of Columbia.

~~(5)~~(6) A “protection order” means any injunction or other order issued for the purpose of preventing violent or threatening acts or harassment against, or contact or communication with or physical proximity to, another person, including temporary and final orders issued by civil and criminal courts, other than support or child custody orders, whether obtained by filing an independent action or as a pendente lite order in another proceeding ~~so long as~~, provided that any civil order was issued in response to a complaint, petition, or motion filed by or on behalf of a person seeking protection.

~~(6)~~(7) [Repealed.]

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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.

**Proposed Amendment to the Constitution Amended; Proposed
Amendment to the Constitution Adopted**

The report of the Committee on Judiciary on Proposed Amendment to the Constitution designated as Proposal 4.

Was taken up.

Senator Hashim, for the Committee on Judiciary, to which was referred the proposed amendment, reported that the committee had considered Proposal 4 which is printed in full below.

Thereupon, Proposal 4, having appeared on the calendar for five legislative days pursuant to Rule 77, was read the second time in full pursuant to Rule 77.

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.

Senator Hashim, for the Committee on Judiciary, to which was referred Proposal 4, recommends that the proposal be amended by striking out the Proposal in its entirety and inserting in lieu thereof the following:

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, religion, 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 23 of Chapter I of the Vermont Constitution is added to read:

Article 23. [Equality of rights]

That the people are guaranteed equal protection under the law. The State shall not deny equal treatment and respect under the law on account of a person's race, ethnicity, sex, religion, disability, sexual orientation, gender identity, gender expression, or national origin. Nothing in this Article shall be interpreted or applied to prevent the adoption or implementation of measures intended to provide equality of treatment and opportunity for members of groups that have historically been subject to discrimination.

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.

Thereupon, pending the question, Shall the Proposed Amendment to the Constitution designated as Proposal 4 be amended as recommended by the Committee on Judiciary?, Senators Hashim, Baruth, Norris, Sears and Vyhovsky moved to amend the recommendation of amendment of the Committee on Judiciary as follows

First: In Sec. 1, in subsection (a), in the first sentence, by striking out “and respect”

Second: In Sec. 2, by striking out “and respect”

Senator Hashim, for the Committee on Judiciary, reported that they considered the amendment as offered by Senators Hashim, Baruth, Norris, Sears and Vyhovsky, and recommend that the amendment be adopted.

Thereupon, the pending question, Shall the recommendation of amendment of the Committee on Judiciary be amended as offered by Senators Hashim, Baruth, Norris, Sears and Vyhovsky?, was decided in the affirmative on a roll

call pursuant to Rules 77 and 80, Yeas 29, Nays 0 (the necessary majority vote having been attained.)

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, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Thereupon, the pending question, Shall the Proposed Amendment to the Constitution designated as Proposal 4 be amended as recommended by the Committee on Judiciary, as amended?, was decided in the affirmative on a roll call, pursuant to Rules 77 and 80, Yeas 29, Nays 0,

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, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Thereupon, the pending question, Shall the Senate adopt the Proposal of Amendment to the Constitution of Vermont (as amended) as recommended by the Committee on Judiciary and request the concurrence of the House? was decided in the affirmative on a roll call, pursuant to the Vermont Constitution and Rules 77 and 80, Yeas 28, Nays 0 (the necessary two-thirds vote having been attained).

Roll Call

Those Senators who voted in the affirmative were: Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, 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: Baruth.

Bill Passed in Concurrence**H. 247.**

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

An act relating to Vermont's adoption of the Occupational Therapy Licensure Compact.

Bill Passed in Concurrence with Proposal of Amendment**H. 649.**

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

An act relating to the Vermont Truth and Reconciliation Commission.

Proposal of Amendment; Third Reading Ordered**H. 546.**

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

An act relating to administrative and policy changes to tax 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:

* * * Per Parcel Fee for Property Reappraisal * * *

Sec. 1. 32 V.S.A. § 4041a is amended to read:

§ 4041a. REAPPRAISAL

(a) A municipality shall be paid \$8.50 per grand list parcel per year from the ~~Education~~ General Fund to be used only for reappraisal and costs related to reappraisal of its grand list properties and for maintenance of the grand list.

* * *

Sec. 2. 32 V.S.A. § 5412 is amended to read:

§ 5412. REDUCTION OF LISTED VALUE AND RECALCULATION OF EDUCATION TAX LIABILITY

(a)(1) If a listed value is reduced as the result of an appeal or court action made pursuant to section 4461 of this title, a municipality may submit a request for the Director of Property Valuation and Review to recalculate its education property tax liability for the education grand list value lost due to a

determination, declaratory judgment, or settlement. The Director shall recalculate the municipality's education property tax liability for each year at issue, in accord with the reduced valuation, provided that:

(A) The reduction in valuation is the result of an appeal under chapter 131 of this title to the Director of Property Valuation and Review or to a court, with no further appeal available with regard to that valuation, or any judicial decision with no further right of appeal, or a settlement of either an appeal or court action if the Director determines that the settlement value is the fair market value of the parcel. The Director may waive the requirement of continuing an appeal or court action until there is no further right of appeal if the Director concludes that the value determined by an adjudicated decision is a reasonable representation of the fair market value of the parcel.

(B) The municipality submits the request on or before January 15 for a request involving an appeal or court action resolved within the previous calendar year.

(C) [Repealed.]

(D) The Director determines that the municipality's actions were consistent with best practices published by the Property Valuation and Review in consultation with the Vermont Assessors and Listers Association. The municipality shall have the burden of showing that its actions were consistent with the Director's best practices.

* * *

* * * Annual Link to Federal Income Tax Law * * *

Sec. 3. 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, ~~2022~~ 2023, 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. 4. 32 V.S.A. § 7402 is amended to read:

§ 7402. DEFINITIONS

As used in this chapter unless the context requires otherwise:

* * *

(8) "Laws of the United States" means the U.S. Internal Revenue Code of 1986, as amended through December 31, ~~2022~~ 2023. 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.

* * *

* * * Expansion of Renter Credit * * *

Sec. 5. 32 V.S.A. § 6061 is amended to read:

§ 6061. DEFINITIONS

As used in this chapter unless the context requires otherwise:

* * *

(20) "Very low-income limit" means an amount of income 1.3 times the amount of the income limit for very low-income families as determined by the U.S. Department of Housing and Urban Development pursuant to 42 U.S.C. § 1437a as of June 30 of the taxable year, provided that for claimants who reside in Franklin or Grand Isle ~~county~~ County, "very low-income limit" means 1.3 times the average of the very low-income limits for the State as determined by the U.S. Department of Housing and Urban Development.

* * * Repeal of Property Tax Credit Late Fee * * *

Sec. 6. 32 V.S.A. § 6066a is amended as follows:

§ 6066a. DETERMINATION OF PROPERTY TAX CREDIT

(a) Annually, the Commissioner shall determine the property tax credit amount under section 6066 of this title, related to a homestead owned by the claimant, based on the prior taxable year's income and crediting property taxes paid in the prior year. The Commissioner shall notify the municipality in which the housesite is located of the amount of the property tax credit for the claimant for homestead property tax liabilities on a monthly basis. The tax credit of a claimant who was assessed property tax by a town that revised the dates of its fiscal year, however, is the excess of the property tax that was assessed in the last 12 months of the revised fiscal year, over the adjusted property tax of the claimant for the revised fiscal year, as determined under section 6066 of this title, related to a homestead owned by the claimant.

* * *

(d) ~~For late claims filed after April 15, the property tax credit amount shall be reduced by \$15.00 [Repealed.]~~

* * *

Sec. 7. 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. 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.

* * * Utility Property Valuation * * *

Sec. 8. 32 V.S.A. § 4452 is amended to read:

§ 4452. VALUATIONS

(a) On or before May 1 of each year, the Division of Property Valuation and Review of the Department of Taxes shall furnish the listers in each town or city with the valuation of all taxable property of any public utility situated therein as reported by such utility to the Division.

(b) Each public utility shall furnish to the Division not later than March 31 in each year a sworn inventory of all its taxable property in such form as will show the valuation of its property in each town, city, or other municipality.

(c) The Division shall prescribe the form of such report and the officer or officers who shall make oath thereto.

(d) The valuations ~~so~~ furnished under this section shall be considered along with any other information as may reasonably be required by ~~such~~ listers in determining and fixing the valuations of ~~such~~ property for the purposes of ~~local~~ property taxation. The Division may require that each municipality use certain valuations furnished under this section. The valuations provided by the Division for property used for the transmission and distribution of electricity shall be used by the listers as the valuations of that property for purposes of property taxation.

* * * Property Tax Exemptions * * *

Sec. 9. 32 V.S.A. § 3802(22) is added to read:

(22) Real and personal estate owned by a county of this State, except land and buildings outside of a county's territorial limits shall be subject to municipal property tax by the municipality in which the land or buildings are situated. Notwithstanding the preceding provision, the exemption for public, pious, and charitable uses under subdivision (4) of this section shall be available for qualifying county land and buildings outside of the county's territorial limits.

* * * Fuel Tax * * *

Sec. 10. 33 V.S.A. § 2503(d) is amended to read:

(d) No tax under this section shall be imposed for any month ending after June 30, ~~2024~~ 2029.

* * * Health IT Fund Sunset Extension * * *

Sec. 11. 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, 2021 Acts and Resolves No. 73, Sec. 14, and 2023 Acts and Resolves No. 78, Sec. E.306.1, is further amended to read:

(10) Secs. 48–51 (health care claims tax) shall take effect on July 1, 2013 and Sec. 52 (Health IT-Fund; sunset) shall take effect on July 1, ~~2025~~ 2026.

Sec. 12. 2019 Acts and Resolves No. 6, Sec. 105, as amended by 2019 Acts and Resolves No. 71, Sec. 19, 2022 Acts and Resolves No. 83, Sec. 75, and 2023 Acts and Resolves No. 78, Sec. E.306.2, 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, ~~2025~~ 2026.

* * *

Sec. 13. 32 V.S.A. § 9701(12) is amended to read:

(12)(A) “Casual sale” means an isolated or occasional sale of an item of tangible personal property by a person who is not regularly engaged in the business of making sales of that general type of property at retail where the property was obtained by the person making the sale, through purchase or otherwise, for ~~his or her~~ the person’s own use.

(B) Aircraft as defined in 5 V.S.A. § 202(6), snowmobiles as defined in 23 V.S.A. § 3201(5), all-terrain vehicles as defined in 23 V.S.A. § 3501(1), motorboats as defined in 23 V.S.A. § ~~3302(4)~~ 3302(6), and vessels as defined in 23 V.S.A. § ~~3302(11)~~ 3302(17) that are 16 feet or more in length are hereby specifically excluded from the definition of casual sale.

Sec. 14. 32 V.S.A. § 9746 is amended to read:

§ 9746. SNOWMOBILE, ALL-TERRAIN VEHICLE, MOTORBOAT, AND VESSEL SALES

(a) If a person sells a snowmobile, all-terrain vehicle, motorboat, or vessel and within three months purchases another such vehicle or vessel, “sales price” for purposes of the tax on the new vehicle or vessel shall exclude the lesser of:

- (1) the sale price of the first vehicle or vessel; or
- (2) the average book value at the time of sale of the first vehicle or vessel.

(b) If a person receives payment under a contract of insurance for:

- (1) total destruction of a snowmobile, all-terrain vehicle, motorboat, or vessel; or
- (2) damage to such vehicle or vessel that was then accepted without repair as a trade-in by the seller of a new snowmobile, all-terrain vehicle, motorboat, or vessel; and within three months ~~of~~ following such destruction or damage the person purchases another snowmobile, motorboat, or vessel, “sales price” for purposes of the tax on the new vehicle or vessel shall exclude the insurance payment and any trade-in allowance for the damaged vehicle.

(c) A vendor determining sales price under this section shall obtain in good faith from the purchaser, on a form provided by the Department of Taxes and signed by the purchaser and bearing ~~his or her~~ the purchaser’s name and

address, a certificate of sale or payment of insurance proceeds with regard to the first vehicle or vessel.

* * * Fees * * *

Sec. 15. 18 V.S.A. § 5017 is amended to read:

§ 5017. FEES FOR COPIES

(a) For a certified copy of a vital event certificate, the fee shall be \$10.00.

(b) The State Registrar shall waive the fee for certified copies of vital event certificates issued to:

(1) an individual attesting to a lack of fixed, regular, and adequate nighttime residence; and

(2) an individual between 18 and 24 years of age who resided in a foster home or residential child care facility between 16 and 18 years of age pursuant to placement by a child-placing agency.

Sec. 16. 8 V.S.A. § 4800(2)(A)(iii) is amended to read:

(iii) Except as provided in subdivisions (I) and (II) of this subdivision, initial and annual producer appointment fees for each qualification set forth in section 4813g of subchapter 1A of this chapter for resident and nonresident producers acting as agents of foreign insurers, ~~\$60.00~~ \$80.00:

Sec. 17. 9 V.S.A. § 5302(e) is amended to read:

(e) At the time of the filing of the information prescribed in subsection (a), (b), (c), or (d) of this section, except investment companies subject to 15 U.S.C. § 80a-1 et seq., the issuer shall pay to the Commissioner a fee of ~~\$600.00~~ \$820.00. The fee is nonrefundable.

Sec. 18. 9 V.S.A. § 5302(f) is amended to read:

(f) Investment companies subject to 15 U.S.C. § 80a-1 et seq. shall pay to the Commissioner an initial notice filing fee of ~~\$2,000.00~~ \$2,250.00 and an annual renewal fee of ~~\$1,650.00~~ \$2,000.00 for each portfolio or class of investment company securities for which a notice filing is submitted.

Sec. 19. 9 V.S.A. § 5410(b) is amended to read:

(b) The fee for an individual is ~~\$120.00~~ \$140.00 when filing an application for registration as an agent, ~~\$120.00~~ \$140.00 when filing a renewal of registration as an agent, and ~~\$120.00~~ \$140.00 when filing for a change of registration as an agent. The fee is nonrefundable.

* * * Local Option Tax * * *

Sec. 20. 24 V.S.A. § 138 is amended to read:

§ 138. LOCAL OPTION TAXES

(a) Local option taxes are authorized under this section for the purpose of affording municipalities an alternative method of raising municipal revenues to ~~facilitate the transition and reduce the dislocations in those municipalities that may be caused by reforms to the method of financing public education under the Equal Educational Opportunity Act of 1997.~~ Accordingly:

~~(1) the local option taxes authorized under this section may be imposed by a municipality;~~

~~(2) a municipality opting to impose a local option tax may do so prior to July 1, 1998 to be effective beginning January 1, 1999, and anytime after December 1, 1998 a~~ A local option tax shall be effective beginning on the next tax quarter following 90 days' notice to the Department of Taxes of the imposition; and

~~(3) a local option tax may only be adopted by a municipality in which:~~

~~(A) the education property tax rate in 1997 was less than \$1.10 per \$100.00 of equalized education property value; or~~

~~(B) the equalized grand list value of personal property, business machinery, inventory, and equipment is at least ten percent of the equalized education grand list as reported in the 1998 Annual Report of the Division of Property Valuation and Review; or~~

~~(C) the combined education tax rate of the municipality will increase by 20 percent or more in fiscal year 1999 or in fiscal year 2000 over the rate of the combined education property tax in the previous fiscal year.~~

(b) If the legislative body of a municipality by a majority vote recommends, the voters of a municipality may, at an annual or special meeting warned for that purpose, by a majority vote of those present and voting, assess any or all of the following:

- (1) a one percent sales tax;
- (2) a one percent meals and alcoholic beverages tax;
- (3) a one percent rooms tax.

* * *

* * * Effective Dates * * *

Sec. 21. EFFECTIVE DATES

(a) This section, Secs. 1 (reappraisals), 2 (property valuation and review waiver), 9 (exemption for county-owned property), 10 (fuel tax extension), and 11 and 12 (extension of Health IT Fund) shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Secs. 3 and 4 (link to federal income tax laws) shall take effect retroactively on January 1, 2024 and apply to taxable years beginning on and after January 1, 2023.

(c) Sec. 5 (renter credit expansion) shall take effect on passage and apply to claim years 2025 and after.

(d) Secs. 6 and 7 (repeal of property tax credit late fee) shall take effect on passage and apply to claim years 2024 and after.

(e) Sec. 8 (utility property valuation) shall take effect on passage and apply to grand lists filed on or after April 1, 2025.

(f) Secs. 13 and 14 (casual sales of ATVs), 15 (fee waiver for vital event certificates), 16 (insurance appointment fee), 17–18 (securities filing fees), 19 (registration fee for agents of securities brokers and issuers), and 20 (local option taxes) shall take effect on July 1, 2024.

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

Senator Kitchel, for the Committee on Appropriation, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill as recommended by the Committee on Finance with further amendments as follows:

First: By striking out Secs. 16–19, fees, in their entireties and inserting in lieu thereof four new sections to be Secs. 16–19 to read as follows:

* * * Machinery and Equipment Tax Credit * * *

Sec. 16. 32 V.S.A. § 5930ll is amended to read:

§ 5930ll. MACHINERY AND EQUIPMENT TAX CREDIT

* * *

(d) Availability of credit.

(1) The credit earned under this section with respect to qualified capital expenditures shall be available to reduce the qualified taxpayer's Vermont income tax liability for its tax year beginning on or after January 1, 2012 or, if later, the first tax year within which the qualified taxpayer's aggregate qualified capital expenditures exceed \$20,000,000.00. A taxpayer claiming a credit under this subchapter shall submit with the first return on which a credit

is claimed a copy of the qualified taxpayer's certification from the Vermont Economic Progress Council.

(2) The credit may be used in the year earned or carried forward to reduce the qualified taxpayer's Vermont income tax liability in succeeding tax years ending on or before December 31, ~~2026~~ 2030.

* * *

(g) Reporting.

(1) Any qualified taxpayer who has been certified under subsection (b) of this section shall file a report with the Vermont Economic Progress Council on a form prescribed by the Council for this purpose and provide a copy of the report to the Commissioner of Taxes.

(2) The report shall be filed for each year following the certification until the year following the last year the taxpayer claims the credit to reduce its Vermont income tax liability, or ~~2027~~ 2031, whichever occurs first.

(3) The report shall be filed by ~~February 28~~ the due date of the taxpayer's tax return, including extensions, in each year for activity the previous calendar year and include, at a minimum:

(A) the number of full-time jobs in each quarter and the average number of hours worked per week;

(B) the level of qualifying capital investments made if reporting on a year within an investment period; and

(C) the amount of tax credit earned and applied during the previous calendar year.

Sec. 17. 2010 Acts and Resolves No. 156, Sec. H.2 is amended to read:

Sec. H.2 REPEAL

(a) Subchapter 11M of chapter 151 of Title 32 is repealed July 1, ~~2026~~ 2030, and no credit under that section shall be available for any taxable year beginning after June 30, ~~2026~~ 2030; ~~provided, however, that if no qualified capital expenditures are made during the investment period, both terms as defined in 32 V.S.A. § 593011(a) of this act, the subchapter shall be repealed effective January 1, 2015.~~

Sec. 18. [Deleted.]

Sec. 19. [Deleted.]

Second: In Sec. 21, effective dates, by striking out subsection (f) in its entirety and inserting in lieu thereof a new subsection (f) to read as follows:

(f) Secs. 13 and 14 (casual sales of ATVs), 15 (fee waiver for vital event certificates), 16 and 17 (extension of machinery and equipment tax credit), and 20 (local option sales tax) shall take effect on July 1, 2024.

Third: By adding a new reader assistance heading and a new section to be Sec. 12a. to read as follows:

* * * Extension of Sales Tax Exemption for Advanced Wood Boilers * * *

Sec. 12a. 2018 Acts and Resolves No. 194, Sec. 26b(a), as amended by 2019 Acts and Resolves No. 83, Sec. 14, as amended by 2023 Acts and Resolves No. 73, Sec. 23, is further amended to read:

(a) 32 V.S.A. §§ 9741(52) (sales tax exemption for advanced wood boilers) and 9706(II) (statutory purpose; sales tax exemption for advanced wood boilers) shall be repealed on July 1, ~~2024~~ 2027.

Fourth: In Sec. 21, effective dates, by adding a new subsection to be subsection (g) to read as follows:

(g) Sec. 12a (sales tax exemption; advanced wood boilers) shall take effect on June 30, 2024.

And that when so amended the bill ought to pass.

Thereupon, Senators Kitchel, Perchlik, Sears, Starr, Baruth, Lyons and Westman moved to substitute an amendment for the recommendation of proposal of amendment of the Committee on Appropriations as follows:

First: By striking out Secs. 16–19, fees, in their entirety and inserting in lieu thereof four new sections to be Secs. 16–19 to read as follows:

* * * Machinery and Equipment Tax Credit * * *

Sec. 16. 32 V.S.A. § 5930II is amended to read:

§ 5930II. MACHINERY AND EQUIPMENT TAX CREDIT

* * *

(d) Availability of credit.

(1) The credit earned under this section with respect to qualified capital expenditures shall be available to reduce the qualified taxpayer's Vermont income tax liability for its tax year beginning on or after January 1, 2012 or, if later, the first tax year within which the qualified taxpayer's aggregate qualified capital expenditures exceed \$20,000,000.00. A taxpayer claiming a credit under this subchapter shall submit with the first return on which a credit is claimed a copy of the qualified taxpayer's certification from the Vermont Economic Progress Council.

(2) The credit may be used in the year earned or carried forward to reduce the qualified taxpayer's Vermont income tax liability in succeeding tax years ending on or before December 31, ~~2026~~ 2030.

* * *

(g) Reporting.

(1) Any qualified taxpayer who has been certified under subsection (b) of this section shall file a report with the Vermont Economic Progress Council on a form prescribed by the Council for this purpose and provide a copy of the report to the Commissioner of Taxes.

(2) The report shall be filed for each year following the certification until the year following the last year the taxpayer claims the credit to reduce its Vermont income tax liability, or ~~2027~~ 2031, whichever occurs first.

(3) The report shall be filed by ~~February 28~~ the due date of the taxpayer's tax return, including extensions, in each year for activity the previous calendar year and include, at a minimum:

(A) the number of full-time jobs in each quarter and the average number of hours worked per week;

(B) the level of qualifying capital investments made if reporting on a year within an investment period; and

(C) the amount of tax credit earned and applied during the previous calendar year.

Sec. 17. 2010 Acts and Resolves No. 156, Sec. H.2 is amended to read:

Sec. H.2 REPEAL

(a) Subchapter 11M of chapter 151 of Title 32 is repealed July 1, ~~2026~~ 2030, and no credit under that section shall be available for any taxable year beginning after June 30, ~~2026~~ 2030; ~~provided, however, that if no qualified capital expenditures are made during the investment period, both terms as defined in 32 V.S.A. § 59301(a) of this act, the subchapter shall be repealed effective January 1, 2015.~~

Sec. 18. [Deleted.]

Sec. 19. [Deleted.]

Second: In Sec. 21, effective dates, by striking out subsection (f) in its entirety and inserting in lieu thereof a new subsection (f) to read as follows:

(f) Secs. 13 and 14 (casual sales of ATVs), 15 (fee waiver for vital event certificates), 16 and 17 (extension of machinery and equipment tax credit), and 20 (local option sales tax) shall take effect on July 1, 2024.

Third: By adding a new reader assistance heading and two new sections to be Secs. 12a and 12b to read as follows:

* * * Extension of Sales Tax Exemption for Advanced Wood Boilers * * *

Sec. 12a. 2018 Acts and Resolves No. 194, Sec. 26b(a), as amended by 2019 Acts and Resolves No. 83, Sec. 14, and by 2023 Acts and Resolves No. 73, Sec. 23, is further amended to read:

(a) 32 V.S.A. §§ 9741(52) (sales tax exemption for advanced wood boilers) and 9706(II) (statutory purpose; sales tax exemption for advanced wood boilers) shall be repealed on July 1, ~~2024~~ 2027.

Sec. 12b. REPEAL

2023 Acts and Resolves No. 72, Sec. 8 (sales tax exemption; advanced wood boilers) is repealed.

Fourth: In Sec. 21, effective dates, by adding a new subsection to be subsection (g) to read as follows:

(g) Secs. 12a and 12b (sales tax exemption; advanced wood boilers) shall take effect on June 30, 2024.

Which was agreed to.

Thereupon, the bill was read a second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Finance, was amended as recommended by the Committee on Appropriations, as substituted.

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

Joint Resolution Adopted in Concurrence

J.R.H. 10.

Joint House resolution entitled:

Joint resolution authorizing the Green Mountain Girls State educational program to use the State House facilities on June 27, 2024.

Having been placed on the Calendar for action, was taken up and adopted in concurrence.

Adjournment

On motion of Senator Clarkson, the Senate adjourned until one o'clock in the afternoon on Wednesday, April 24, 2024.

WEDNESDAY, APRIL 24, 2024

Pursuant to the Senate Rules, in the absence of the President, the Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Standing Committees Appointed

The President *pro tempore*, on behalf of the Committee on Committees, reported the appointment of the standing committees, as follows:

Committee on Senate Rules

Senator Baruth, Chair
Senator Clarkson, Vice-Chair
[Senator Mazza]
Senator Perchlik
Senator Kitchel
Senator Brock

Senate Committee on Transportation

[Senator Mazza]
Senator Perchlik, Chair
Senator Chittenden, Vice-Chair
Senator Kitchel
Senator Ingalls

Bill Referred to Committee on Finance**H. 289.**

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

An act relating to the Renewable Energy Standard.

Proposal of Amendment; Third Reading Ordered**H. 883.**

Senator Kitchel, for the Committee on Appropriations, to which was referred House bill entitled:

An act relating to making appropriations for the support of government.

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:

* * * Purpose, Definitions, Legend * * *

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the “BIG BILL – Fiscal Year 2025 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 2025. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those that can be supported by funds appropriated in this act or other acts passed prior to June 30, 2024. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2025 so as to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for the operations of State government and for capital appropriations not funded with bond proceeds for fiscal year 2025.

(b) The sums herein stated are appropriated for the purposes specified in the following sections of this act. When no time is expressly stated during which any of the appropriations are to continue, the appropriations are single-year appropriations and only for the purpose indicated and shall be paid from funds shown as the source of funds. If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2025.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) “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.

(2) “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.

(3) “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.

(4) “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.

(5) “Personal services” means wages and salaries, fringe benefits, per diems, and contracted third-party services, and similar items.

Sec. A.104 RELATIONSHIP TO EXISTING LAWS

(a) Except as specifically provided, this act shall not be construed in any way to negate or impair the full force and effect of existing laws.

Sec. A.105 OFFSETTING APPROPRIATIONS

(a) In the absence of specific provisions to the contrary in this act, when total appropriations are offset by estimated receipts, the State appropriations shall control, notwithstanding receipts being greater or less than anticipated.

Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2025, 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 herein designated as federal. The Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2025, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2024 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 General Assembly or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(a)(11), shall not be increased during fiscal year 2025 except for new positions authorized by the 2024 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

Sec. A.108 LEGEND

(a) The bill is organized by functions of government. The sections between B.100 and B.9999 contain appropriations of funds for the upcoming budget year. The sections between E.100 and E.9999 contain language that relates to specific appropriations or government functions, or both. The function areas by section numbers are as follows:

<u>B.100–B.199 and E.100–E.199</u>	<u>General Government</u>
<u>B.200–B.299 and E.200–E.299</u>	<u>Protection to Persons and Property</u>
<u>B.300–B.399 and E.300–E.399</u>	<u>Human Services</u>
<u>B.400–B.499 and E.400–E.499</u>	<u>Labor</u>
<u>B.500–B.599 and E.500–E.599</u>	<u>General Education</u>
<u>B.600–B.699 and E.600–E.699</u>	<u>Higher Education</u>
<u>B.700–B.799 and E.700–E.799</u>	<u>Natural Resources</u>
<u>B.800–B.899 and E.800–E.899</u>	<u>Commerce and Community Development</u>
<u>B.900–B.999 and E.900–E.999</u>	<u>Transportation</u>
<u>B.1000–B.1099 and E.1000–E.1099</u>	<u>Debt Service</u>
<u>B.1100–B.1199 and E.1100–E.1199</u>	<u>One-time and other appropriation actions</u>

(b) The C sections contain any amendments to the current fiscal year, the D sections contain fund transfers and reserve allocations for the upcoming budget year, and the F sections contain adjustments to securities fees. The G section includes effective dates.

* * * Fiscal Year 2025 Base Appropriations * * *

Sec. B.100 Secretary of administration - secretary's office

Personal services	3,624,952
Operating expenses	185,657
Grants	<u>25,000</u>
Total	3,835,609
Source of funds	
General fund	2,449,890
Special funds	25,000
Internal service funds	437,265
Interdepartmental transfers	<u>923,454</u>
Total	3,835,609

Sec. B.101 Secretary of administration - finance

Personal services	1,414,180
Operating expenses	<u>160,916</u>
Total	1,575,096
Source of funds	
Interdepartmental transfers	<u>1,575,096</u>
Total	1,575,096

Sec. B.102 Secretary of administration - workers' compensation insurance

Personal services	894,261
Operating expenses	<u>90,822</u>
Total	985,083
Source of funds	
Internal service funds	<u>985,083</u>
Total	985,083

Sec. B.103 Secretary of administration - general liability insurance

Personal services	567,817
Operating expenses	<u>59,472</u>
Total	627,289
Source of funds	
Internal service funds	<u>627,289</u>
Total	627,289

Sec. B.104 Secretary of administration - all other insurance	
Personal services	275,025
Operating expenses	<u>48,667</u>
Total	323,692
Source of funds	
Internal service funds	<u>323,692</u>
Total	323,692
Sec. B.104.1 Retired State Employees Pension Plus Funding	
Grants	<u>12,000,000</u>
Total	12,000,000
Source of funds	
General fund	<u>12,000,000</u>
Total	12,000,000
Sec. B.105 Agency of digital services - communications and information technology	
Personal services	83,082,218
Operating expenses	<u>62,547,212</u>
Total	145,629,430
Source of funds	
General fund	209,808
Special funds	511,723
Internal service funds	<u>144,907,899</u>
Total	145,629,430
Sec. B.106 Finance and management - budget and management	
Personal services	1,526,943
Operating expenses	<u>332,906</u>
Total	1,859,849
Source of funds	
General fund	1,183,688
Internal service funds	666,328
Interdepartmental transfers	<u>9,833</u>
Total	1,859,849
Sec. B.107 Finance and management - financial operations	
Personal services	2,753,093
Operating expenses	<u>887,167</u>
Total	3,640,260

Source of funds	
Internal service funds	3,499,357
Interdepartmental transfers	<u>140,903</u>
Total	3,640,260
Sec. B.108 Human resources - operations	
Personal services	11,174,144
Operating expenses	<u>1,533,893</u>
Total	12,708,037
Source of funds	
General fund	1,835,968
Special funds	242,235
Internal service funds	10,105,741
Interdepartmental transfers	<u>524,093</u>
Total	12,708,037
Sec. B.108.1 Human resources - VTHR operations	
Personal services	2,001,756
Operating expenses	<u>897,472</u>
Total	2,899,228
Source of funds	
Internal service funds	<u>2,899,228</u>
Total	2,899,228
Sec. B.109 Human resources - employee benefits & wellness	
Personal services	1,219,976
Operating expenses	<u>656,818</u>
Total	1,876,794
Source of funds	
Internal service funds	<u>1,876,794</u>
Total	1,876,794
Sec. B.110 Libraries	
Personal services	2,608,231
Operating expenses	987,312
Grants	<u>272,701</u>
Total	3,868,244
Source of funds	
General fund	2,151,812
Special funds	130,971
Federal funds	1,467,374
Interdepartmental transfers	<u>118,087</u>
Total	3,868,244

Sec. B.111 Tax - administration/collection	
Personal services	28,305,591
Operating expenses	<u>6,868,137</u>
Total	35,173,728
Source of funds	
General fund	23,248,019
Special funds	11,880,709
Interdepartmental transfers	<u>45,000</u>
Total	35,173,728
Sec. B.112 Buildings and general services - administration	
Personal services	1,070,354
Operating expenses	<u>229,587</u>
Total	1,299,941
Source of funds	
Interdepartmental transfers	<u>1,299,941</u>
Total	1,299,941
Sec. B.113 Buildings and general services - engineering	
Personal services	18,881
Operating expenses	<u>1,271,574</u>
Total	1,290,455
Source of funds	
General fund	<u>1,290,455</u>
Total	1,290,455
Sec. B.113.1 Buildings and General Services Engineering - Capital Projects	
Personal services	2,973,306
Operating expenses	<u>500,000</u>
Total	3,473,306
Source of funds	
General fund	2,973,306
Interdepartmental transfers	<u>500,000</u>
Total	3,473,306
Sec. B.114 Buildings and general services - information centers	
Personal services	3,585,324
Operating expenses	<u>1,919,853</u>
Total	5,505,177
Source of funds	
General fund	688,453
Transportation fund	4,292,149
Special funds	<u>524,575</u>
Total	5,505,177

Sec. B.115 Buildings and general services - purchasing	
Personal services	2,462,542
Operating expenses	<u>245,613</u>
Total	2,708,155
Source of funds	
General fund	1,568,464
Interdepartmental transfers	<u>1,139,691</u>
Total	2,708,155
Sec. B.116 Buildings and general services - postal services	
Personal services	826,840
Operating expenses	<u>177,446</u>
Total	1,004,286
Source of funds	
General fund	90,941
Internal service funds	<u>913,345</u>
Total	1,004,286
Sec. B.117 Buildings and general services - copy center	
Personal services	902,844
Operating expenses	<u>237,416</u>
Total	1,140,260
Source of funds	
Internal service funds	<u>1,140,260</u>
Total	1,140,260
Sec. B.118 Buildings and general services - fleet management services	
Personal services	915,232
Operating expenses	<u>251,755</u>
Total	1,166,987
Source of funds	
Internal service funds	<u>1,166,987</u>
Total	1,166,987
Sec. B.119 Buildings and general services - federal surplus property	
Operating expenses	<u>4,298</u>
Total	4,298
Source of funds	
Enterprise funds	<u>4,298</u>
Total	4,298

Sec. B.120	Buildings and general services - state surplus property	
	Personal services	375,218
	Operating expenses	<u>149,871</u>
	Total	525,089
	Source of funds	
	Internal service funds	<u>525,089</u>
	Total	525,089
Sec. B.121	Buildings and general services - property management	
	Personal services	1,471,106
	Operating expenses	<u>652,847</u>
	Total	2,123,953
	Source of funds	
	Internal service funds	<u>2,123,953</u>
	Total	2,123,953
Sec. B.122	Buildings and general services - fee for space	
	Personal services	20,361,714
	Operating expenses	<u>17,940,900</u>
	Total	38,302,614
	Source of funds	
	Internal service funds	38,214,088
	Interdepartmental transfers	<u>88,526</u>
	Total	38,302,614
Sec. B.124	Executive office - governor's office	
	Personal services	1,621,889
	Operating expenses	<u>529,815</u>
	Total	2,151,704
	Source of funds	
	General fund	1,896,299
	Interdepartmental transfers	<u>255,405</u>
	Total	2,151,704
Sec. B.125	Legislative counsel	
	Personal services	3,906,667
	Operating expenses	<u>291,399</u>
	Total	4,198,066
	Source of funds	
	General fund	<u>4,198,066</u>
	Total	4,198,066

Sec. B.126	Legislature	
	Personal services	6,531,132
	Operating expenses	<u>4,934,310</u>
	Total	11,465,442
	Source of funds	
	General fund	<u>11,465,442</u>
	Total	11,465,442
Sec. B.126.1	Legislative information technology	
	Personal services	1,433,677
	Operating expenses	<u>807,537</u>
	Total	2,241,214
	Source of funds	
	General fund	<u>2,241,214</u>
	Total	2,241,214
Sec. B.127	Joint fiscal committee	
	Personal services	2,661,816
	Operating expenses	<u>197,363</u>
	Total	2,859,179
	Source of funds	
	General fund	<u>2,859,179</u>
	Total	2,859,179
Sec. B.128	Sergeant at arms	
	Personal services	1,501,807
	Operating expenses	<u>161,697</u>
	Total	1,663,504
	Source of funds	
	General fund	<u>1,663,504</u>
	Total	1,663,504
Sec. B.129	Lieutenant governor	
	Personal services	273,359
	Operating expenses	<u>48,050</u>
	Total	321,409
	Source of funds	
	General fund	<u>321,409</u>
	Total	321,409
Sec. B.130	Auditor of accounts	
	Personal services	4,397,652
	Operating expenses	<u>140,540</u>
	Total	4,538,192

Source of funds	
General fund	383,992
Special funds	53,145
Internal service funds	<u>4,101,055</u>
Total	4,538,192
Sec. B.131 State treasurer	
Personal services	6,021,504
Operating expenses	<u>305,404</u>
Total	6,326,908
Source of funds	
General fund	2,233,091
Special funds	3,750,239
Interdepartmental transfers	<u>343,578</u>
Total	6,326,908
Sec. B.132 State treasurer - unclaimed property	
Personal services	814,215
Operating expenses	<u>514,990</u>
Total	1,329,205
Source of funds	
Private purpose trust funds	<u>1,329,205</u>
Total	1,329,205
Sec. B.133 Vermont state retirement system	
Personal services	213,238
Operating expenses	<u>2,849,942</u>
Total	3,063,180
Source of funds	
Pension trust funds	<u>3,063,180</u>
Total	3,063,180
Sec. B.134 Municipal employees' retirement system	
Personal services	237,966
Operating expenses	<u>1,499,159</u>
Total	1,737,125
Source of funds	
Pension trust funds	<u>1,737,125</u>
Total	1,737,125
Sec. B.134.1 Vermont Pension Investment Commission	
Personal services	2,154,707
Operating expenses	<u>294,507</u>
Total	2,449,214

Source of funds	
Special funds	<u>2,449,214</u>
Total	2,449,214
Sec. B.135 State labor relations board	
Personal services	290,593
Operating expenses	<u>48,629</u>
Total	339,222
Source of funds	
General fund	329,646
Special funds	6,788
Interdepartmental transfers	<u>2,788</u>
Total	339,222
Sec. B.136 VOSHA review board	
Personal services	98,853
Operating expenses	<u>25,115</u>
Total	123,968
Source of funds	
General fund	72,964
Interdepartmental transfers	<u>51,004</u>
Total	123,968
Sec. B.136.1 Ethics Commission	
Personal services	171,374
Operating expenses	<u>38,979</u>
Total	210,353
Source of funds	
Internal service funds	<u>210,353</u>
Total	210,353
Sec. B.137 Homeowner rebate	
Grants	<u>19,100,000</u>
Total	19,100,000
Source of funds	
General fund	<u>19,100,000</u>
Total	19,100,000
Sec. B.138 Renter rebate	
Grants	<u>9,500,000</u>
Total	9,500,000

Source of funds	
General fund	<u>9,500,000</u>
Total	<u>9,500,000</u>
Sec. B.139 Tax department - reappraisal and listing payments	
Grants	<u>3,400,000</u>
Total	<u>3,400,000</u>
Source of funds	
General fund	<u>3,400,000</u>
Total	<u>3,400,000</u>
Sec. B.140 Municipal current use	
Grants	<u>20,050,000</u>
Total	<u>20,050,000</u>
Source of funds	
General fund	<u>20,050,000</u>
Total	<u>20,050,000</u>
Sec. B.142 Payments in lieu of taxes	
Grants	<u>12,050,000</u>
Total	<u>12,050,000</u>
Source of funds	
Special funds	<u>12,050,000</u>
Total	<u>12,050,000</u>
Sec. B.143 Payments in lieu of taxes - Montpelier	
Grants	<u>184,000</u>
Total	<u>184,000</u>
Source of funds	
Special funds	<u>184,000</u>
Total	<u>184,000</u>
Sec. B.144 Payments in lieu of taxes - correctional facilities	
Grants	<u>40,000</u>
Total	<u>40,000</u>
Source of funds	
Special funds	<u>40,000</u>
Total	<u>40,000</u>
Sec. B.145 Total general government	
Source of funds	
General fund	129,405,610

Transportation fund	4,292,149
Special funds	31,848,599
Federal funds	1,467,374
Internal service funds	214,723,806
Interdepartmental transfers	7,017,399
Enterprise funds	4,298
Pension trust funds	4,800,305
Private purpose trust funds	<u>1,329,205</u>
Total	394,888,745
Sec. B.200 Attorney general	
Personal services	14,511,661
Operating expenses	2,015,028
Grants	<u>20,000</u>
Total	16,546,689
Source of funds	
General fund	7,476,805
Special funds	2,355,424
Tobacco fund	422,000
Federal funds	1,743,215
Interdepartmental transfers	<u>4,549,245</u>
Total	16,546,689
Sec. B.201 Vermont court diversion	
Personal services	297,950
Grants	<u>3,229,558</u>
Total	3,527,508
Source of funds	
General fund	3,269,511
Special funds	<u>257,997</u>
Total	3,527,508
Sec. B.202 Defender general - public defense	
Personal services	17,745,612
Operating expenses	<u>1,393,866</u>
Total	19,139,478
Source of funds	
General fund	18,399,825
Special funds	589,653
Interdepartmental transfers	<u>150,000</u>
Total	19,139,478

Sec. B.203 Defender general - assigned counsel	
Personal services	7,654,274
Operating expenses	<u>49,500</u>
Total	7,703,774
Source of funds	
General fund	<u>7,703,774</u>
Total	7,703,774
Sec. B.204 Judiciary	
Personal services	58,439,095
Operating expenses	12,479,384
Grants	<u>121,030</u>
Total	71,039,509
Source of funds	
General fund	63,414,698
Special funds	4,503,401
Federal funds	953,928
Interdepartmental transfers	<u>2,167,482</u>
Total	71,039,509
Sec. B.205 State's attorneys	
Personal services	17,431,679
Operating expenses	<u>2,034,016</u>
Total	19,465,695
Source of funds	
General fund	18,856,634
Federal funds	31,000
Interdepartmental transfers	<u>578,061</u>
Total	19,465,695
Sec. B.206 Special investigative unit	
Personal services	66,237
Operating expenses	24,295
Grants	<u>2,140,047</u>
Total	2,230,579
Source of funds	
General fund	<u>2,230,579</u>
Total	2,230,579
Sec. B.206.1 Crime Victims Advocates	
Personal services	2,894,156
Operating expenses	<u>104,396</u>
Total	2,998,552

Source of funds	
General fund	<u>2,998,552</u>
Total	2,998,552
Sec. B.207 Sheriffs	
Personal services	5,067,726
Operating expenses	<u>405,868</u>
Total	5,473,594
Source of funds	
General fund	<u>5,473,594</u>
Total	5,473,594
Sec. B.208 Public safety - administration	
Personal services	4,620,756
Operating expenses	<u>6,022,923</u>
Total	10,643,679
Source of funds	
General fund	6,179,193
Special funds	4,105
Federal funds	396,362
Interdepartmental transfers	<u>4,064,019</u>
Total	10,643,679
Sec. B.209 Public safety - state police	
Personal services	74,755,468
Operating expenses	15,992,094
Grants	<u>1,137,841</u>
Total	91,885,403
Source of funds	
General fund	57,891,409
Transportation fund	20,250,000
Special funds	3,170,328
Federal funds	8,967,252
Interdepartmental transfers	<u>1,606,414</u>
Total	91,885,403
Sec. B.210 Public safety - criminal justice services	
Personal services	5,387,100
Operating expenses	<u>2,152,467</u>
Total	7,539,567
Source of funds	
General fund	1,829,099

Special funds	4,975,847
Federal funds	<u>734,621</u>
Total	7,539,567
Sec. B.211 Public safety - emergency management	
Personal services	5,420,245
Operating expenses	1,326,624
Grants	<u>41,392,759</u>
Total	48,139,628
Source of funds	
General fund	940,339
Special funds	710,000
Federal funds	46,427,309
Interdepartmental transfers	<u>61,980</u>
Total	48,139,628
Sec. B.212 Public safety - fire safety	
Personal services	9,384,147
Operating expenses	3,412,948
Grants	<u>107,000</u>
Total	12,904,095
Source of funds	
General fund	1,586,884
Special funds	10,093,736
Federal funds	1,178,475
Interdepartmental transfers	<u>45,000</u>
Total	12,904,095
Sec. B.213 Public safety - Forensic Laboratory	
Personal services	3,842,354
Operating expenses	<u>1,095,166</u>
Total	4,937,520
Source of funds	
General fund	3,768,566
Special funds	75,572
Federal funds	557,339
Interdepartmental transfers	<u>536,043</u>
Total	4,937,520
Sec. B.215 Military - administration	
Personal services	1,056,147
Operating expenses	776,352
Grants	<u>1,319,834</u>
Total	3,152,333

Source of funds	
General fund	<u>3,152,333</u>
Total	3,152,333
Sec. B.216 Military - air service contract	
Personal services	10,499,846
Operating expenses	<u>1,504,451</u>
Total	12,004,297
Source of funds	
General fund	775,259
Federal funds	<u>11,229,038</u>
Total	12,004,297
Sec. B.217 Military - army service contract	
Personal services	45,473,792
Operating expenses	<u>8,181,836</u>
Total	53,655,628
Source of funds	
Federal funds	<u>53,655,628</u>
Total	53,655,628
Sec. B.218 Military - building maintenance	
Personal services	827,320
Operating expenses	<u>1,008,123</u>
Total	1,835,443
Source of funds	
General fund	1,772,943
Special funds	<u>62,500</u>
Total	1,835,443
Sec. B.219 Military - veterans' affairs	
Personal services	1,211,819
Operating expenses	176,383
Grants	<u>28,500</u>
Total	1,416,702
Source of funds	
General fund	1,096,505
Special funds	209,092
Federal funds	<u>111,105</u>
Total	1,416,702
Sec. B.220 Center for crime victim services	
Personal services	1,976,117
Operating expenses	391,491

Grants	<u>9,908,464</u>
Total	12,276,072
Source of funds	
General fund	1,516,854
Special funds	4,015,490
Federal funds	<u>6,743,728</u>
Total	12,276,072
Sec. B.221 Criminal justice council	
Personal services	2,356,811
Operating expenses	<u>1,821,496</u>
Total	4,178,307
Source of funds	
General fund	3,835,126
Interdepartmental transfers	<u>343,181</u>
Total	4,178,307
Sec. B.222 Agriculture, food and markets - administration	
Personal services	3,057,449
Operating expenses	<u>346,294</u>
Total	3,403,743
Source of funds	
General fund	1,393,366
Special funds	1,432,323
Federal funds	<u>578,054</u>
Total	3,403,743
Sec. B.223 Agriculture, food and markets - food safety and consumer protection	
Personal services	5,235,644
Operating expenses	1,113,830
Grants	<u>2,780,000</u>
Total	9,129,474
Source of funds	
General fund	3,400,278
Special funds	4,020,618
Federal funds	1,696,578
Interdepartmental transfers	<u>12,000</u>
Total	9,129,474
Sec. B.224 Agriculture, food and markets - agricultural development	
Personal services	4,265,067
Operating expenses	734,947

Grants	<u>15,307,498</u>
Total	20,307,512
Source of funds	
General fund	3,077,928
Special funds	644,363
Federal funds	<u>16,585,221</u>
Total	20,307,512
Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship	
Personal services	2,824,147
Operating expenses	839,493
Grants	<u>212,000</u>
Total	3,875,640
Source of funds	
General fund	936,794
Special funds	2,242,158
Federal funds	343,452
Interdepartmental transfers	<u>353,236</u>
Total	3,875,640
Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab	
Personal services	1,822,983
Operating expenses	<u>1,438,533</u>
Total	3,261,516
Source of funds	
General fund	1,602,665
Special funds	1,591,189
Interdepartmental transfers	<u>67,662</u>
Total	3,261,516
Sec. B.225.2 Agriculture, Food and Markets - Clean Water	
Personal services	3,815,695
Operating expenses	745,519
Grants	<u>11,035,000</u>
Total	15,596,214
Source of funds	
General fund	1,705,135
Special funds	10,528,782
Federal funds	2,169,174
Interdepartmental transfers	<u>1,193,123</u>
Total	15,596,214

Sec. B.226	Financial regulation - administration	
	Personal services	2,726,198
	Operating expenses	159,635
	Grants	<u>100,000</u>
	Total	2,985,833
	Source of funds	
	Special funds	<u>2,985,833</u>
	Total	2,985,833
Sec. B.227	Financial regulation - banking	
	Personal services	2,400,645
	Operating expenses	<u>473,873</u>
	Total	2,874,518
	Source of funds	
	Special funds	<u>2,874,518</u>
	Total	2,874,518
Sec. B.228	Financial regulation - insurance	
	Personal services	5,028,218
	Operating expenses	<u>556,622</u>
	Total	5,584,840
	Source of funds	
	Special funds	<u>5,584,840</u>
	Total	5,584,840
Sec. B.229	Financial regulation - captive insurance	
	Personal services	5,723,322
	Operating expenses	<u>652,707</u>
	Total	6,376,029
	Source of funds	
	Special funds	<u>6,376,029</u>
	Total	6,376,029
Sec. B.230	Financial regulation - securities	
	Personal services	1,269,574
	Operating expenses	<u>241,157</u>
	Total	1,510,731
	Source of funds	
	Special funds	<u>1,510,731</u>
	Total	1,510,731
Sec. B.232	Secretary of state	
	Personal services	22,592,899

Operating expenses	4,345,999
Grants	<u>1,000,000</u>
Total	27,938,898
Source of funds	
General fund	1,000,000
Special funds	19,922,486
Federal funds	<u>7,016,412</u>
Total	27,938,898
Sec. B.233 Public service - regulation and energy	
Personal services	10,861,325
Operating expenses	1,405,907
Grants	<u>28,300</u>
Total	12,295,532
Source of funds	
Special funds	11,060,542
Federal funds	992,781
Interdepartmental transfers	225,423
Enterprise funds	<u>16,786</u>
Total	12,295,532
Sec. B.233.1 VT Community Broadband Board	
Personal services	1,609,379
Operating expenses	269,690
Grants	<u>150,000</u>
Total	2,029,069
Source of funds	
Special funds	1,269,289
Federal funds	<u>759,780</u>
Total	2,029,069
Sec. B.234 Public utility commission	
Personal services	5,052,403
Operating expenses	<u>617,149</u>
Total	5,669,552
Source of funds	
Special funds	<u>5,669,552</u>
Total	5,669,552
Sec. B.235 Enhanced 9-1-1 Board	
Personal services	4,429,219
Operating expenses	<u>471,441</u>
Total	4,900,660

Source of funds	
Special funds	<u>4,900,660</u>
Total	4,900,660
Sec. B.236 Human rights commission	
Personal services	927,697
Operating expenses	<u>115,103</u>
Total	1,042,800
Source of funds	
General fund	953,800
Federal funds	<u>89,000</u>
Total	1,042,800
Sec. B.236.1 Liquor & Lottery Comm. Office	
Personal services	9,831,453
Operating expenses	<u>5,667,447</u>
Total	15,498,900
Source of funds	
Special funds	125,000
Tobacco fund	250,579
Interdepartmental transfers	70,000
Enterprise funds	<u>15,053,321</u>
Total	15,498,900
Sec. B.240 Cannabis Control Board	
Personal services	4,242,224
Operating expenses	<u>1,819,990</u>
Total	6,062,214
Source of funds	
Special funds	<u>6,062,214</u>
Total	6,062,214
Sec. B.241 Total protection to persons and property	
Source of funds	
General fund	228,238,448
Transportation fund	20,250,000
Special funds	119,824,272
Tobacco fund	672,579
Federal funds	162,959,452
Interdepartmental transfers	16,022,869
Enterprise funds	<u>15,070,107</u>
Total	563,037,727

Sec. B.300 Human services - agency of human services - secretary's office	
Personal services	17,119,746
Operating expenses	7,220,486
Grants	<u>2,895,202</u>
Total	27,235,434
Source of funds	
General fund	12,913,202
Special funds	135,517
Federal funds	13,565,080
Interdepartmental transfers	<u>621,635</u>
Total	27,235,434
Sec. B.301 Secretary's office - global commitment	
Grants	<u>2,039,030,122</u>
Total	2,039,030,122
Source of funds	
General fund	668,181,378
Special funds	32,047,905
Tobacco fund	21,049,373
State health care resources fund	28,053,557
Federal funds	1,285,210,699
Interdepartmental transfers	<u>4,487,210</u>
Total	2,039,030,122
Sec. B.303 Developmental disabilities council	
Personal services	479,072
Operating expenses	95,765
Grants	<u>191,595</u>
Total	766,432
Source of funds	
Special funds	12,000
Federal funds	<u>754,432</u>
Total	766,432
Sec. B.304 Human services board	
Personal services	703,548
Operating expenses	<u>90,191</u>
Total	793,739
Source of funds	
General fund	486,165
Federal funds	<u>307,574</u>
Total	793,739

Sec. B.305 AHS - administrative fund

Personal services	330,000
Operating expenses	<u>13,170,000</u>
Total	13,500,000
Source of funds	
Interdepartmental transfers	<u>13,500,000</u>
Total	13,500,000

Sec. B.306 Department of Vermont health access - administration

Personal services	134,929,148
Operating expenses	44,171,193
Grants	<u>3,112,301</u>
Total	182,212,642
Source of funds	
General fund	39,872,315
Special funds	4,733,015
Federal funds	128,790,580
Global Commitment fund	4,308,574
Interdepartmental transfers	<u>4,508,158</u>
Total	182,212,642

Sec. B.307 Department of Vermont health access - Medicaid program
- global commitment

Personal services	547,983
Grants	<u>899,550,794</u>
Total	900,098,777
Source of funds	
Global Commitment fund	<u>900,098,777</u>
Total	900,098,777

Sec. B.309 Department of Vermont health access - Medicaid program - state
only

Grants	<u>63,033,948</u>
Total	63,033,948
Source of funds	
General fund	62,151,546
Global Commitment fund	<u>882,402</u>
Total	63,033,948

Sec. B.310 Department of Vermont health access - Medicaid non-waiver
matched

Grants	<u>34,994,888</u>
Total	34,994,888

Source of funds	
General fund	12,511,405
Federal funds	<u>22,483,483</u>
Total	34,994,888
Sec. B.311 Health - administration and support	
Personal services	8,373,168
Operating expenses	7,519,722
Grants	<u>7,985,727</u>
Total	23,878,617
Source of funds	
General fund	3,189,843
Special funds	2,308,186
Federal funds	11,040,433
Global Commitment fund	7,173,924
Interdepartmental transfers	<u>166,231</u>
Total	23,878,617
Sec. B.312 Health - public health	
Personal services	67,812,371
Operating expenses	11,025,497
Grants	<u>47,128,832</u>
Total	125,966,700
Source of funds	
General fund	12,908,892
Special funds	25,306,804
Tobacco fund	1,088,918
Federal funds	64,038,301
Global Commitment fund	17,036,150
Interdepartmental transfers	5,600,635
Permanent trust funds	<u>25,000</u>
Total	126,004,700
Sec. B.313 Health - substance use programs	
Personal services	6,570,967
Operating expenses	511,500
Grants	<u>56,986,599</u>
Total	64,069,066
Source of funds	
General fund	6,643,150
Special funds	1,213,678
Tobacco fund	949,917

Federal funds	15,456,754
Global Commitment fund	<u>39,805,567</u>
Total	64,069,066
Sec. B.314 Mental health - mental health	
Personal services	50,191,086
Operating expenses	5,517,999
Grants	<u>270,625,138</u>
Total	326,334,223
Source of funds	
General fund	25,555,311
Special funds	1,718,092
Federal funds	11,436,913
Global Commitment fund	287,609,767
Interdepartmental transfers	<u>14,140</u>
Total	326,334,223
Sec. B.316 Department for children and families - administration & support services	
Personal services	46,644,080
Operating expenses	17,560,755
Grants	<u>5,627,175</u>
Total	69,832,010
Source of funds	
General fund	39,722,724
Special funds	2,781,912
Federal funds	24,448,223
Global Commitment fund	2,417,024
Interdepartmental transfers	<u>462,127</u>
Total	69,832,010
Sec. B.317 Department for children and families - family services	
Personal services	45,197,694
Operating expenses	5,315,309
Grants	<u>97,944,827</u>
Total	148,457,830
Source of funds	
General fund	58,327,357
Special funds	729,587
Federal funds	34,871,380
Global Commitment fund	54,514,506
Interdepartmental transfers	<u>15,000</u>
Total	148,457,830

 Sec. B.318 Department for children and families - child development

Personal services	5,908,038
Operating expenses	813,321
Grants	<u>226,329,336</u>
Total	233,050,695
Source of funds	
General fund	79,723,518
Special funds	96,312,000
Federal funds	43,511,414
Global Commitment fund	<u>13,503,763</u>
Total	233,050,695

Sec. B.319 Department for children and families - office of child support

Personal services	13,157,660
Operating expenses	<u>3,759,992</u>
Total	16,917,652
Source of funds	
General fund	5,200,064
Special funds	455,719
Federal funds	10,874,269
Interdepartmental transfers	<u>387,600</u>
Total	16,917,652

Sec. B.320 Department for children and families - aid to aged, blind and disabled

Personal services	2,252,206
Grants	<u>10,717,444</u>
Total	12,969,650
Source of funds	
General fund	7,376,133
Global Commitment fund	<u>5,593,517</u>
Total	12,969,650

Sec. B.321 Department for children and families - general assistance

Personal services	15,000
Grants	<u>11,054,252</u>
Total	11,069,252
Source of funds	
General fund	10,811,345
Federal funds	11,320
Global Commitment fund	<u>246,587</u>
Total	11,069,252

Sec. B.322 Department for children and families - 3SquaresVT	
Grants	<u>44,377,812</u>
Total	44,377,812
Source of funds	
Federal funds	<u>44,377,812</u>
Total	44,377,812
Sec. B.323 Department for children and families - reach up	
Operating expenses	23,821
Grants	<u>37,230,488</u>
Total	37,254,309
Source of funds	
General fund	24,733,042
Special funds	5,970,229
Federal funds	2,806,330
Global Commitment fund	<u>3,744,708</u>
Total	37,254,309
Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP	
Grants	<u>16,019,953</u>
Total	16,019,953
Source of funds	
Special funds	1,480,395
Federal funds	<u>14,539,558</u>
Total	16,019,953
Sec. B.325 Department for children and families - office of economic opportunity	
Personal services	817,029
Operating expenses	100,407
Grants	<u>35,466,283</u>
Total	36,383,719
Source of funds	
General fund	28,178,010
Special funds	83,135
Federal funds	4,935,273
Global Commitment fund	<u>3,187,301</u>
Total	36,383,719
Sec. B.326 Department for children and families - OEO - weatherization assistance	
Personal services	465,709

Operating expenses	248,905
Grants	<u>15,147,885</u>
Total	15,862,499
Source of funds	
Special funds	7,697,546
Federal funds	<u>8,164,953</u>
Total	15,862,499
Sec. B.327 Department for Children and Families - Secure Residential Treatment	
Personal services	258,100
Operating expenses	42,225
Grants	<u>3,476,862</u>
Total	3,777,187
Source of funds	
General fund	3,747,187
Global Commitment fund	<u>30,000</u>
Total	3,777,187
Sec. B.328 Department for children and families - disability determination services	
Personal services	7,860,410
Operating expenses	<u>488,354</u>
Total	8,348,764
Source of funds	
General fund	124,172
Federal funds	<u>8,224,592</u>
Total	8,348,764
Sec. B.329 Disabilities, aging, and independent living - administration & support	
Personal services	45,217,977
Operating expenses	<u>6,472,558</u>
Total	51,690,535
Source of funds	
General fund	22,916,281
Special funds	1,390,457
Federal funds	26,063,097
Global Commitment fund	35,000
Interdepartmental transfers	<u>1,285,700</u>
Total	51,690,535

Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	<u>24,571,060</u>
Total	24,571,060
Source of funds	
General fund	8,392,303
Federal funds	7,321,114
Global Commitment fund	<u>8,857,643</u>
Total	24,571,060

Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

Grants	<u>1,907,604</u>
Total	1,907,604
Source of funds	
General fund	489,154
Special funds	223,450
Federal funds	890,000
Global Commitment fund	<u>305,000</u>
Total	1,907,604

Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation

Grants	<u>10,179,845</u>
Total	10,179,845
Source of funds	
General fund	1,371,845
Federal funds	7,558,000
Interdepartmental transfers	<u>1,250,000</u>
Total	10,179,845

Sec. B.333 Disabilities, aging, and independent living - developmental services

Grants	<u>329,299,344</u>
Total	329,299,344
Source of funds	
General fund	132,732
Special funds	15,463
Federal funds	403,573
Global Commitment fund	328,697,576
Interdepartmental transfers	<u>50,000</u>
Total	329,299,344

 Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver

Grants	<u>6,845,005</u>
Total	6,845,005
Source of funds	
Global Commitment fund	<u>6,845,005</u>
Total	6,845,005

Sec. B.334.1 Disabilities, aging and independent living - Long Term Care

Grants	<u>293,584,545</u>
Total	293,584,545
Source of funds	
General fund	498,579
Federal funds	2,450,000
Global Commitment fund	<u>290,635,966</u>
Total	293,584,545

Sec. B.335 Corrections - administration

Personal services	5,025,978
Operating expenses	<u>266,783</u>
Total	5,292,761
Source of funds	
General fund	<u>5,292,761</u>
Total	5,292,761

Sec. B.336 Corrections - parole board

Personal services	475,099
Operating expenses	<u>59,692</u>
Total	534,791
Source of funds	
General fund	<u>534,791</u>
Total	534,791

Sec. B.337 Corrections - correctional education

Personal services	3,979,310
Operating expenses	<u>252,649</u>
Total	4,231,959
Source of funds	
General fund	4,082,899
Federal funds	276
Interdepartmental transfers	<u>148,784</u>
Total	4,231,959

Sec. B.338 Corrections - correctional services	
Personal services	147,472,104
Operating expenses	<u>24,914,205</u>
Total	172,386,309
Source of funds	
General fund	162,807,888
Special funds	935,963
ARPA State Fiscal	5,000,000
Federal funds	499,888
Global Commitment fund	2,746,255
Interdepartmental transfers	<u>396,315</u>
Total	172,386,309
Sec. B.338.1 Corrections - Justice Reinvestment II	
Grants	<u>10,755,849</u>
Total	10,755,849
Source of funds	
General fund	8,178,161
Federal funds	13,147
Global Commitment fund	<u>2,564,541</u>
Total	10,755,849
Sec. B.339 Corrections - correctional services - out of state beds	
Personal services	<u>4,130,378</u>
Total	4,130,378
Source of funds	
General fund	<u>4,130,378</u>
Total	4,130,378
Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	634,972
Operating expenses	<u>456,715</u>
Total	1,091,687
Source of funds	
Special funds	<u>1,091,687</u>
Total	1,091,687
Sec. B.341 Corrections - Vermont offender work program	
Personal services	324,103
Operating expenses	<u>166,750</u>
Total	490,853
Source of funds	
Internal service funds	<u>490,853</u>
Total	490,853

Sec. B.342 Vermont veterans' home - care and support services	
Personal services	17,631,222
Operating expenses	<u>5,013,462</u>
Total	22,644,684
Source of funds	
General fund	4,320,687
Special funds	10,051,903
Federal funds	<u>8,272,094</u>
Total	22,644,684
Sec. B.343 Commission on women	
Personal services	398,669
Operating expenses	<u>93,837</u>
Total	492,506
Source of funds	
General fund	487,998
Special funds	<u>4,508</u>
Total	492,506
Sec. B.344 Retired senior volunteer program	
Grants	<u>160,155</u>
Total	160,155
Source of funds	
General fund	<u>160,155</u>
Total	160,155
Sec. B.345 Green Mountain Care Board	
Personal services	8,396,809
Operating expenses	<u>398,601</u>
Total	8,795,410
Source of funds	
General fund	3,494,109
Special funds	<u>5,301,301</u>
Total	8,795,410
Sec. B.346 Office of the Child, Youth, and Family Advocate	
Personal services	342,966
Operating expenses	<u>88,820</u>
Total	431,786
Source of funds	
General fund	<u>431,786</u>
Total	431,786

Sec. B.347 Total human services

Source of funds	
General fund	1,330,079,266
Special funds	202,000,452
Tobacco fund	23,088,208
State health care resources fund	28,053,557
ARPA State Fiscal	5,000,000
Federal funds	1,803,320,562
Global Commitment fund	1,980,839,553
Internal service funds	490,853
Interdepartmental transfers	32,893,535
Permanent trust funds	<u>25,000</u>
Total	5,405,790,986

Sec. B.400 Labor - programs

Personal services	39,963,839
Operating expenses	5,708,836
Grants	<u>9,199,639</u>
Total	54,872,314
Source of funds	
General fund	10,916,365
Special funds	9,407,107
Federal funds	34,261,616
Interdepartmental transfers	<u>287,226</u>
Total	54,872,314

Sec. B.401 Total labor

Source of funds	
General fund	10,916,365
Special funds	9,407,107
Federal funds	34,261,616
Interdepartmental transfers	<u>287,226</u>
Total	54,872,314

Sec. B.500 Education - finance and administration

Personal services	21,961,664
Operating expenses	4,484,934
Grants	<u>14,770,700</u>
Total	41,217,298
Source of funds	
General fund	7,192,085
Special funds	16,618,543

Education fund	3,486,988
Federal funds	13,154,385
Global Commitment fund	260,000
Interdepartmental transfers	<u>505,297</u>
Total	41,217,298
Sec. B.501 Education - education services	
Personal services	28,237,700
Operating expenses	1,134,912
Grants	<u>322,345,763</u>
Total	351,718,375
Source of funds	
General fund	6,387,955
Special funds	3,033,144
Tobacco fund	750,388
Federal funds	340,584,414
Interdepartmental transfers	<u>962,474</u>
Total	351,718,375
Sec. B.502 Education - special education: formula grants	
Grants	<u>264,649,859</u>
Total	264,649,859
Source of funds	
Education fund	<u>264,649,859</u>
Total	264,649,859
Sec. B.503 Education - state-placed students	
Grants	<u>20,000,000</u>
Total	20,000,000
Source of funds	
Education fund	<u>20,000,000</u>
Total	20,000,000
Sec. B.504 Education - adult education and literacy	
Grants	<u>4,694,183</u>
Total	4,694,183
Source of funds	
General fund	3,778,133
Federal funds	<u>916,050</u>
Total	4,694,183

Sec. B.504.1 Education - Flexible Pathways

Grants	<u>11,361,755</u>
Total	11,361,755
Source of funds	
General fund	921,500
Education fund	<u>10,440,255</u>
Total	11,361,755

Sec. B.505 Education - adjusted education payment

Grants	<u>1,902,951,000</u>
Total	1,902,951,000
Source of funds	
Education fund	<u>1,902,951,000</u>
Total	1,902,951,000

Sec. B.506 Education - transportation

Grants	<u>25,306,000</u>
Total	25,306,000
Source of funds	
Education fund	<u>25,306,000</u>
Total	25,306,000

Sec. B.507 Education - Merger Support Grants

Grants	<u>1,800,000</u>
Total	1,800,000
Source of funds	
Education fund	<u>1,800,000</u>
Total	1,800,000

Sec. B.507.1 Education – EL Categorical Aid

Grants	<u>2,250,000</u>
Total	2,250,000
Source of funds	
Education fund	<u>2,250,000</u>
Total	2,250,000

Sec. B.508 Education - nutrition

Grants	<u>20,400,000</u>
Total	20,400,000
Source of funds	
Education fund	<u>20,400,000</u>
Total	20,400,000

Sec. B.509 Education - Afterschool Grant Program	
Personal services	500,000
Grants	<u>3,500,000</u>
Total	4,000,000
Source of funds	
Special funds	<u>4,000,000</u>
Total	4,000,000
Sec. B.510 Education - essential early education grant	
Grants	<u>8,725,587</u>
Total	8,725,587
Source of funds	
Education fund	<u>8,725,587</u>
Total	8,725,587
Sec. B.511 Education - technical education	
Grants	<u>17,881,950</u>
Total	17,881,950
Source of funds	
Education fund	<u>17,881,950</u>
Total	17,881,950
Sec. B.511.1 State Board of Education	
Personal services	54,208
Operating expenses	<u>16,500</u>
Total	70,708
Source of funds	
General fund	<u>70,708</u>
Total	70,708
Sec. B.513 Retired Teachers Pension Plus Funding	
Grants	<u>12,000,000</u>
Total	12,000,000
Source of funds	
General fund	<u>12,000,000</u>
Total	12,000,000
Sec. B.514 State teachers' retirement system	
Grants	<u>191,382,703</u>
Total	191,382,703

Source of funds	
General fund	155,384,035
Education fund	<u>35,998,668</u>
Total	191,382,703
Sec. B.514.1 State teachers' retirement system administration	
Personal services	349,979
Operating expenses	<u>3,222,801</u>
Total	3,572,780
Source of funds	
Pension trust funds	<u>3,572,780</u>
Total	3,572,780
Sec. B.515 Retired teachers' health care and medical benefits	
Grants	<u>62,107,644</u>
Total	62,107,644
Source of funds	
General fund	43,031,103
Education fund	<u>19,076,541</u>
Total	62,107,644
Sec. B.516 Total general education	
Source of funds	
General fund	228,765,519
Special funds	23,651,687
Tobacco fund	750,388
Education fund	2,332,966,848
Federal funds	354,654,849
Global Commitment fund	260,000
Interdepartmental transfers	1,467,771
Pension trust funds	<u>3,572,780</u>
Total	2,946,089,842
Sec. B.600 University of Vermont	
Grants	<u>55,706,897</u>
Total	55,706,897
Source of funds	
General fund	<u>55,706,897</u>
Total	55,706,897
Sec. B.602 Vermont state colleges	
Grants	<u>50,940,478</u>
Total	50,940,478

Source of funds	
General fund	<u>50,940,478</u>
Total	50,940,478
Sec. B.603 Vermont state colleges - allied health	
Grants	<u>1,788,434</u>
Total	1,788,434
Source of funds	
General fund	288,434
Global Commitment fund	<u>1,500,000</u>
Total	1,788,434
Sec. B.605 Vermont student assistance corporation	
Grants	<u>26,139,946</u>
Total	26,139,946
Source of funds	
General fund	<u>26,139,946</u>
Total	26,139,946
Sec. B.605.1 VSAC - Flexible Pathways Stipend	
Grants	<u>82,450</u>
Total	82,450
Source of funds	
General fund	41,225
Education fund	<u>41,225</u>
Total	82,450
Sec. B.606 New England higher education compact	
Grants	<u>86,520</u>
Total	86,520
Source of funds	
General fund	<u>86,520</u>
Total	86,520
Sec. B.607 University of Vermont - Morgan Horse Farm	
Grants	<u>1</u>
Total	1
Source of funds	
General fund	<u>1</u>
Total	1
Sec. B.608 Total higher education	
Source of funds	
General fund	133,203,501
Education fund	41,225

Global Commitment fund	<u>1,500,000</u>
Total	134,744,726
Sec. B.700 Natural resources - agency of natural resources - administration	
Personal services	6,006,412
Operating expenses	<u>1,475,166</u>
Total	7,481,578
Source of funds	
General fund	5,129,356
Special funds	775,079
Interdepartmental transfers	<u>1,577,143</u>
Total	7,481,578
Sec. B.701 Natural resources - state land local property tax assessment	
Operating expenses	<u>2,689,176</u>
Total	2,689,176
Source of funds	
General fund	2,267,676
Interdepartmental transfers	<u>421,500</u>
Total	2,689,176
Sec. B.702 Fish and wildlife - support and field services	
Personal services	22,597,844
Operating expenses	6,843,095
Grants	<u>853,066</u>
Total	30,294,005
Source of funds	
General fund	8,267,967
Special funds	365,427
Fish and wildlife fund	10,418,331
Federal funds	9,751,683
Interdepartmental transfers	<u>1,490,597</u>
Total	30,294,005
Sec. B.703 Forests, parks and recreation - administration	
Personal services	1,847,215
Operating expenses	<u>1,658,662</u>
Total	3,505,877
Source of funds	
General fund	3,367,366
Special funds	<u>138,511</u>
Total	3,505,877

 Sec. B.704 Forests, parks and recreation - forestry

Personal services	7,880,566
Operating expenses	1,005,046
Grants	<u>1,712,423</u>
Total	10,598,035
Source of funds	
General fund	6,299,512
Special funds	547,215
Federal funds	3,394,931
Interdepartmental transfers	<u>356,377</u>
Total	10,598,035

Sec. B.705 Forests, parks and recreation - state parks

Personal services	13,141,062
Operating expenses	5,555,506
Grants	<u>50,000</u>
Total	18,746,568
Source of funds	
General fund	961,122
Special funds	<u>17,785,446</u>
Total	18,746,568

Sec. B.706 Forests, parks and recreation - lands administration and recreation

Personal services	3,209,865
Operating expenses	7,721,058
Grants	<u>3,729,759</u>
Total	14,660,682
Source of funds	
General fund	1,179,068
Special funds	2,283,759
Federal funds	10,802,370
Interdepartmental transfers	<u>395,485</u>
Total	14,660,682

Sec. B.708 Forests, parks and recreation - forest and parks access roads

Personal services	130,000
Operating expenses	<u>99,925</u>
Total	229,925
Source of funds	
General fund	<u>229,925</u>
Total	229,925

Sec. B.709 Environmental conservation - management and support services	
Personal services	9,202,579
Operating expenses	4,811,255
Grants	<u>122,735</u>
Total	14,136,569
Source of funds	
General fund	2,243,575
Special funds	794,867
Federal funds	2,164,711
Interdepartmental transfers	<u>8,933,416</u>
Total	14,136,569
Sec. B.710 Environmental conservation - air and waste management	
Personal services	27,995,328
Operating expenses	10,788,954
Grants	<u>4,943,000</u>
Total	43,727,282
Source of funds	
General fund	199,372
Special funds	24,643,580
Federal funds	18,800,064
Interdepartmental transfers	<u>84,266</u>
Total	43,727,282
Sec. B.711 Environmental conservation - office of water programs	
Personal services	50,153,806
Operating expenses	8,362,915
Grants	<u>92,365,140</u>
Total	150,881,861
Source of funds	
General fund	11,887,629
Special funds	30,967,150
Federal funds	107,154,542
Interdepartmental transfers	<u>872,540</u>
Total	150,881,861
Sec. B.713 Natural resources board	
Personal services	3,313,829
Operating expenses	<u>421,198</u>
Total	3,735,027

Source of funds	
General fund	760,232
Special funds	<u>2,974,795</u>
Total	3,735,027
Sec. B.714 Total natural resources	
Source of funds	
General fund	42,792,800
Special funds	81,275,829
Fish and wildlife fund	10,418,331
Federal funds	152,068,301
Interdepartmental transfers	<u>14,131,324</u>
Total	300,686,585
Sec. B.800 Commerce and community development - agency of commerce and community development - administration	
Personal services	2,368,443
Operating expenses	839,383
Grants	<u>389,320</u>
Total	3,597,146
Source of funds	
General fund	<u>3,597,146</u>
Total	3,597,146
Sec. B.801 Economic development	
Personal services	4,612,442
Operating expenses	1,215,603
Grants	<u>6,539,044</u>
Total	12,367,089
Source of funds	
General fund	5,701,138
Special funds	820,850
Federal funds	4,021,428
Interdepartmental transfers	<u>1,823,673</u>
Total	12,367,089
Sec. B.802 Housing and community development	
Personal services	7,645,042
Operating expenses	910,983
Grants	<u>23,978,656</u>
Total	32,534,681
Source of funds	
General fund	5,365,841

Special funds	8,702,439
Federal funds	14,615,349
Interdepartmental transfers	<u>3,851,052</u>
Total	32,534,681
Sec. B.806 Tourism and marketing	
Personal services	5,332,723
Operating expenses	6,090,577
Grants	<u>3,920,000</u>
Total	15,343,300
Source of funds	
General fund	4,785,247
Federal funds	10,483,053
Interdepartmental transfers	<u>75,000</u>
Total	15,343,300
Sec. B.808 Vermont council on the arts	
Grants	<u>973,848</u>
Total	973,848
Source of funds	
General fund	<u>973,848</u>
Total	973,848
Sec. B.809 Vermont symphony orchestra	
Grants	<u>149,680</u>
Total	149,680
Source of funds	
General fund	<u>149,680</u>
Total	149,680
Sec. B.810 Vermont historical society	
Grants	<u>1,135,640</u>
Total	1,135,640
Source of funds	
General fund	<u>1,135,640</u>
Total	1,135,640
Sec. B.811 Vermont housing and conservation board	
Grants	<u>82,283,351</u>
Total	82,283,351
Source of funds	
Special funds	25,607,155
Federal funds	<u>56,676,196</u>
Total	82,283,351

Sec. B.812 Vermont humanities council	
Grants	<u>309,000</u>
Total	309,000
Source of funds	
General fund	<u>309,000</u>
Total	309,000
Sec. B.813 Total commerce and community development	
Source of funds	
General fund	22,017,540
Special funds	35,130,444
Federal funds	85,796,026
Interdepartmental transfers	<u>5,749,725</u>
Total	148,693,735
Sec. B.900 Transportation - finance and administration	
Personal services	18,099,986
Operating expenses	6,108,609
Grants	<u>350,000</u>
Total	24,558,595
Source of funds	
Transportation fund	23,202,105
Federal funds	<u>1,356,490</u>
Total	24,558,595
Sec. B.901 Transportation - aviation	
Personal services	3,907,105
Operating expenses	17,194,905
Grants	<u>737,501</u>
Total	21,839,511
Source of funds	
Transportation fund	5,766,122
Federal funds	<u>16,073,389</u>
Total	21,839,511
Sec. B.902 Transportation - buildings	
Personal services	1,025,000
Operating expenses	<u>1,800,000</u>
Total	2,825,000
Source of funds	
Transportation fund	<u>2,825,000</u>
Total	2,825,000

Sec. B.903 Transportation - program development	
Personal services	82,232,854
Operating expenses	307,766,179
Grants	<u>30,605,814</u>
Total	420,604,847
Source of funds	
Transportation fund	65,845,147
TIB fund	14,726,719
Federal funds	334,397,149
Interdepartmental transfers	1,411,518
Local match	<u>4,224,314</u>
Total	420,604,847
Sec. B.904 Transportation - rest areas construction	
Personal services	300,000
Operating expenses	<u>1,185,601</u>
Total	1,485,601
Source of funds	
Transportation fund	148,560
Federal funds	<u>1,337,041</u>
Total	1,485,601
Sec. B.905 Transportation - maintenance state system	
Personal services	42,757,951
Operating expenses	<u>63,980,546</u>
Total	106,738,497
Source of funds	
Transportation fund	105,706,483
Federal funds	932,014
Interdepartmental transfers	<u>100,000</u>
Total	106,738,497
Sec. B.906 Transportation - policy and planning	
Personal services	4,108,918
Operating expenses	942,444
Grants	<u>9,000,491</u>
Total	14,051,853
Source of funds	
Transportation fund	3,137,901
Federal funds	10,797,449
Interdepartmental transfers	<u>116,503</u>
Total	14,051,853

Sec. B.906.1 Transportation - Environmental Policy and Sustainability	
Personal services	6,953,362
Operating expenses	76,411
Grants	<u>1,480,000</u>
Total	8,509,773
Source of funds	
Transportation fund	531,909
Federal funds	6,800,327
Local match	<u>1,177,537</u>
Total	8,509,773
Sec. B.907 Transportation - rail	
Personal services	5,734,768
Operating expenses	<u>43,012,063</u>
Total	48,746,831
Source of funds	
Transportation fund	15,690,849
Federal funds	30,641,237
Interdepartmental transfers	2,196,000
Local match	<u>218,745</u>
Total	48,746,831
Sec. B.908 Transportation - public transit	
Personal services	4,612,631
Operating expenses	119,894
Grants	<u>51,907,700</u>
Total	56,640,225
Source of funds	
Transportation fund	9,807,525
Federal funds	46,692,700
Interdepartmental transfers	<u>140,000</u>
Total	56,640,225
Sec. B.909 Transportation - central garage	
Personal services	5,480,920
Operating expenses	<u>19,170,315</u>
Total	24,651,235
Source of funds	
Internal service funds	<u>24,651,235</u>
Total	24,651,235

Sec. B.910 Department of motor vehicles	
Personal services	33,713,124
Operating expenses	<u>13,549,772</u>
Total	47,262,896
Source of funds	
Transportation fund	44,454,119
Federal funds	2,687,081
Interdepartmental transfers	<u>121,696</u>
Total	47,262,896
Sec. B.911 Transportation - town highway structures	
Grants	<u>7,416,000</u>
Total	7,416,000
Source of funds	
Transportation fund	<u>7,416,000</u>
Total	7,416,000
Sec. B.912 Transportation - town highway local technical assistance program	
Personal services	449,763
Operating expenses	<u>31,689</u>
Total	481,452
Source of funds	
Transportation fund	121,452
Federal funds	<u>360,000</u>
Total	481,452
Sec. B.913 Transportation - town highway class 2 roadway	
Grants	<u>8,858,000</u>
Total	8,858,000
Source of funds	
Transportation fund	<u>8,858,000</u>
Total	8,858,000
Sec. B.914 Transportation - town highway bridges	
Personal services	12,185,000
Operating expenses	<u>33,149,278</u>
Total	45,334,278
Source of funds	
TIB fund	3,973,281
Federal funds	39,264,097
Local match	<u>2,096,900</u>
Total	45,334,278

Sec. B.915 Transportation - town highway aid program	
Grants	<u>29,532,753</u>
Total	29,532,753
Source of funds	
Transportation fund	<u>29,532,753</u>
Total	29,532,753
Sec. B.916 Transportation - town highway class 1 supplemental grants	
Grants	<u>128,750</u>
Total	128,750
Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750
Sec. B.917 Transportation - town highway: state aid for nonfederal disasters	
Grants	<u>1,150,000</u>
Total	1,150,000
Source of funds	
Transportation fund	<u>1,150,000</u>
Total	1,150,000
Sec. B.918 Transportation - town highway: state aid for federal disasters	
Personal services	25,000
Grants	<u>155,000</u>
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	<u>160,000</u>
Total	180,000
Sec. B.919 Transportation - municipal mitigation assistance program	
Personal services	125,000
Operating expenses	280,000
Grants	<u>6,738,000</u>
Total	7,143,000
Source of funds	
Transportation fund	715,000
Special funds	5,000,000
Federal funds	<u>1,428,000</u>
Total	7,143,000

Sec. B.920 Transportation - public assistance grant program

Operating expenses	200,000
Grants	<u>1,050,000</u>
Total	1,250,000

Source of funds

Special funds	50,000
Federal funds	1,000,000
Interdepartmental transfers	<u>200,000</u>
Total	1,250,000

Sec. B.921 Transportation board

Personal services	176,315
Operating expenses	<u>23,782</u>
Total	200,097

Source of funds

Transportation fund	<u>200,097</u>
Total	200,097

Sec. B.922 Total transportation

Source of funds

Transportation fund	325,257,772
TIB fund	18,700,000
Special funds	5,050,000
Federal funds	493,926,974
Internal service funds	24,651,235
Interdepartmental transfers	4,285,717
Local match	<u>7,717,496</u>
Total	879,589,194

Sec. B.1000 Debt service

Operating expenses	<u>675,000</u>
Total	675,000

Source of funds

General fund	<u>675,000</u>
Total	675,000

Sec. B.1001 Total debt service

Source of funds

General fund	<u>675,000</u>
Total	675,000

* * * Fiscal Year 2025 One-time Appropriations * * *

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2025 ONE-TIME
APPROPRIATIONS

(a) Department of Public Safety. In fiscal year 2025, funds are appropriated for the following:

(1) \$12,500,000 General Fund to be used as matching funds for Federal Emergency Management Agency (FEMA) Flood Hazard Mitigation grant receipts; and

(2) \$250,000 General Fund to fund the Urban Search and Rescue Team.

(b) Military Department. In fiscal year 2025, funds are appropriated for the following:

(1) \$10,000 General Fund for the USS Vermont Support Group.

(c) Department of Mental Health. In fiscal year 2025, funds are appropriated for the following:

(1) \$1,000,000 General Fund for start-up costs related to the psychiatric youth inpatient facility funded by 2023 Acts and Resolves No. 78, Sec. B.1105(b)(4).

(d) Department of Health. In fiscal year 2025, funds are appropriated for the following:

(1) \$1,060,000 Opioid Abatement Special Fund for a program administered by Vermont's 13 recovery centers in collaboration with the Department of Corrections to provide recovery support to those in correctional facilities, post-incarceration, and involved in probation and parole;

(2) \$1,000,000 Opioid Abatement Special Fund for grants to providers to establish community-based stabilization beds for individuals transitioning between substance use disorder residential treatment and the recovery system;

(3) \$800,000 Opioid Abatement Special Fund for grants to providers for ongoing support for contingency management;

(4) \$714,481 Opioid Abatement Special Fund to expand Student Assistance Professional and school-based services;

(5) \$325,000 Opioid Abatement Special Fund for recovery housing supports;

(6) \$300,000 Opioid Abatement Special Fund for a grant to Johnson Health Center and Vermonters for Criminal Justice Reform to establish a managed medical response partnership for individuals with substance use disorder;

(7) \$835,073 General Fund for the Bridges to Health Program; and

(8) \$400,000 General Fund for the Vermont Household Health Insurance Survey.

(e) Department for Children and Families. In fiscal year 2025, funds are appropriated for the following:

(1) \$16,500,000 General Fund for the General Assistance Emergency Housing program;

(2) \$3,000,000 General Fund for the Family Service Division Comprehensive Child Welfare Information System;

(3) \$1,034,065 General Fund to extend 10 Economic Services Division limited service positions, including associated operating costs, in support of the General Assistance Emergency Housing program; and

(4) \$176,480 General Fund for a 2-1-1 service line contract to operate 24 hours five days per week.

(f) Vermont State University. In fiscal year 2025, funds are appropriated for the following:

(1) \$10,000,000 General Fund for deficit reduction and systems transformation bridge funding; and

(2) \$1,000,000 General Fund for the Community College of Vermont Tuition Advantage Program.

(g) Department of Environmental Conservation. In fiscal year 2025, funds are appropriated for the following:

(1) \$500,000 General Fund to be used as State match for the federal Water Resources Development Act (WRDA) Winooski Study;

(2) \$2,000,000 General Fund to continue the Healthy Homes Initiative;

(3) \$225,000 General Fund for contracting to support development of State Flood Hazard Area Standards;

(4) \$1,500,000 General Fund for contracting to support completion of river corridor mapping and implementation of river corridor permitting;

(5) \$150,000 General Fund for contracting to support wetlands mapping and rulemaking; and

(6) \$50,000 General Fund for education and outreach on the use of unencapsulated polystyrene foam for docks in waters of the State.

(h) Department of Economic Development. In fiscal year 2025, funds are appropriated for the following:

(1) \$150,000 General Fund for continued funding of the International Business Office previously funded by 2021 Acts and Resolves No. 74, Sec. G.300(b)(1).

(i) Department of Housing and Community Development. In fiscal year 2025, funds are appropriated for the following:

(1) \$1,000,000 General Fund for the Manufactured Home Improvement and Repair Program.

(j) Agency of Transportation. In fiscal year 2025, funds are appropriated for the following:

(1) \$1,000,000 Transportation Fund for a grant to Green Mountain Transit as one-time bridge funding while Green Mountain Transit stabilizes its finances, adjusts its service levels, and transitions to a sustainable funding model; and

(2) \$900,000 Transportation Fund to increase Vermonters' access to electric vehicle supply equipment charging ports. These funds shall be derived from the revenue generated by the annual electric vehicle infrastructure fee; provided, however, that if the revenue generated by the fee in fiscal year 2025 is less than \$900,000, the amount to be appropriated pursuant to this subdivision shall be limited to the actual amount of revenue generated by the fee in fiscal year 2025.

(k) Secretary of State. In fiscal year 2025, funds are appropriated for the following:

(1) \$300,000 General Fund to support the costs of elections in calendar year 2024;

(2) \$67,000 General Fund, notwithstanding 3 V.S.A. § 124(a), to the Office of Professional Regulation to support the administrative work necessary to implement newly joined interstate compacts; and

(3) \$50,000 General Fund for a consultant to assist the Working Group on Participation and Accessibility of Municipal Public Meetings and Elections.

(l) Department of Forests, Parks and Recreation. In fiscal year 2025, funds are appropriated for the following:

(1) \$1,000,000 General Fund for the pilot expansion of the Water Quality Assistance Program to provide financial assistance to logging contractors.

(m) Agency of Agriculture, Food and Markets. In fiscal year 2025, funds are appropriated for the following:

(1) \$240,000 General Fund for a grant to the Northeast Organic Farming Association of Vermont for the Crop Cash, Crop Cash Plus, and Farm Share programs; and

(2) \$100,000 General Fund for grants to Vermont's 14 Natural Resources Conservation Districts.

(n) Agency of Human Services Secretary's Office. In fiscal year 2025, funds are appropriated for the following:

(1) \$3,913,200 General Fund and \$5,366,383 federal funds to be used for Global Commitment match for the Medicaid Global Commitment Payment Program. To the extent that at a future date the Global Payment Program ceases to operate as a program or changes methodology to a retrospective payment program, any resulting one-time General Fund spending authority created at that time shall be reserved in the Human Services Caseload Reserve established in 32 V.S.A. § 308b up to the amount appropriated in this subdivision.

(o) Department of Vermont Health Access. In fiscal year 2025, funds are appropriated for the following:

(1) \$9,279,583 Global Commitment for the Medicaid Global Payment Program;

(2) \$150,000 General Fund to conduct a technical analysis of Vermont's health insurance markets; and

(3) \$100,000 General Fund to implement the expansion of Medicare Savings Programs eligibility.

(p) Department of Disabilities, Aging, and Independent Living. In fiscal year 2025, funds are appropriated for the following:

(1) \$82,000 General Fund to fund the start-up costs relating to the Adult Days center in central Vermont.

(q) Center for Crime Victim Services. In fiscal year 2025, funds are appropriated for the following:

(1) \$254,000 General Fund for a grant to the Vermont Network Against Domestic and Sexual Violence to maintain its current level of operations;

(2) \$60,000 General Fund for a grant to support the creation of the Memorial and Healing Garden on the former grounds of Saint Joseph's Orphanage; and

(3) \$22,000 General Fund for a grant to the Intercollegiate Sexual Harm Prevention Council for the purpose of staffing the Council and providing per

diem compensation and reimbursement of expenses to members who are not otherwise compensated by their employer.

(r) Department of Corrections. In fiscal year 2025, funds are appropriated for the following:

(1) \$300,000 General Fund for the purpose of contracting with a vendor to enhance the Department's capacity to analyze and interpret data, with the goals of transferring individuals from incarceration to community supervision more quickly and improving reentry and case management processes.

(s) Green Mountain Care Board. In fiscal year 2025, funds are appropriated for the following:

(1) \$15,000 General Fund for a contract with a qualified entity for a reference-based pricing analysis.

(t) Joint Fiscal Office. In fiscal year 2025, funds are appropriated for the following:

(1) \$50,000 General Fund for a consultant to assist the County and Regional Governance Study Committee.

(u) General Assembly. In fiscal year 2025, funds are appropriated for the following:

(1) \$15,000 General Fund for per diem compensation and expense reimbursement for the members of the County and Regional Governance Study Committee.

(v) Agency of Administration. In fiscal year 2025, funds are appropriated for the following:

(1) \$200,000 General Fund for local economic damage grants to municipalities that were impacted by the August and December 2023 flooding events in counties that are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declarations DR-4744-VT and DR-4695-VT. It is the intent of the General Assembly that these local economic damage grants be distributed to municipalities throughout the State to address the secondary economic impacts of the August and December 2023 flooding events. Monies from these grants shall not be expended on FEMA-related projects.

Sec. B.1101.1 TRUTH AND RECONCILIATION COMMISSION

(a) In fiscal year 2025, \$1,100,000 General Fund is appropriated to the Truth and Reconciliation Commission.

Sec. B.1102 UNOBLIGATED GENERAL FUND CONTINGENT
APPROPRIATIONS

(a) After satisfying the requirements of 32 V.S.A. § 308, but prior to satisfying the requirements of 32 V.S.A. § 308c, the remaining unobligated and unexpended balance of the General Fund at the close of fiscal year 2024 shall be appropriated or transferred, to the extent to which funds are available, in fiscal year 2025 in the following order:

(1) \$20,000,000 to the Department for Children and Families for the General Assistance Emergency Housing program.

(2) \$3,500,000 to the Community Resilience and Disaster Mitigation Fund that shall be used for grants to municipalities with FEMA-approved Individuals and Households Program registrations for Individual Assistance relating to a calendar year 2023 flooding event for subgrants to residential building owners of up to \$300,000 residential structure elevation projects.

(3) \$1,000,000 to the Dam Safety Revolving Loan Fund.

(4) \$1,000,000 to the Department of Environmental Conservation for the Healthy Homes Initiative.

(5) \$2,000,000 to the Department of Housing and Community Development for the Vermont Housing Improvement Program.

(6) \$2,500,000 to the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments. It is the intent of the General Assembly that these funds be used for State match needed for water and wastewater related projects under the federal Infrastructure Investment and Jobs Act. These funds shall only be expended if authorized by the General Assembly.

(7) \$1,300,000 to the Department for Children and Families for a grant to the Vermont Foodbank. It is the intent of the General Assembly that \$1,000,000 of these funds be distributed proportionally to Vermont Foodbank's network partner food shelves.

(8) \$500,000 to the Department of Disabilities, Aging, and Independent Living for grants to skilled nursing facilities to increase the pipeline of employed licensed nursing assistants, including increasing capacity of new and existing facility-based training programs, and developing or expanding collaboration with other programs, including career and technical education programs. Grants may support training program costs, paid internships, student support, and recruitment and retention bonuses.

(A) Of the funds appropriated in this subdivision (8), \$150,000 shall be for grants of \$30,000 or less.

(B) Of the funds appropriated in this subdivision (8), \$350,000 shall be for up to three grants.

(9) \$500,000 to the Department of Disabilities, Aging, and Independent Living for Medical Director recruitment and retention grants of not more than \$50,000 per grant at skilled nursing facilities.

(10) \$1,500,000 to the Department of Forests, Parks and Recreation for the Vermont Serve, Learn, and Earn Program.

(11) \$2,000,000 to the Department of Housing and Community Development for the Vermont Housing Improvement Program.

(12) \$2,500,000 to the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments. It is the intent of the General Assembly that these funds be used for State match needed for water and wastewater related projects under the federal Infrastructure Investment and Jobs Act. These funds shall only be expended if authorized by the General Assembly.

(13) \$350,000 to the Agency of Commerce and Community Development for a grant to the Vermont Economic Development Authority for the forgivable loan track program.

Sec. B.1103 CASH FUND FOR CAPITAL AND ESSENTIAL
INVESTMENTS – FISCAL YEAR 2025 ONE-TIME
APPROPRIATIONS

(a) In fiscal year 2025, \$9,550,000 is appropriated from the Capital Infrastructure sub account in the Cash Fund for Capital and Essential Investments for the following projects:

(1) \$220,000 is appropriated to the Department of Buildings and General Services for planning, reuse, and contingency;

(2) \$2,300,000 is appropriated to the Department of Buildings and General Services for parking garage repairs at 32 Cherry Street in Burlington;

(3) \$1,500,000 is appropriated to the Department of Buildings and General Services for the renovation of the interior HVAC steam lines at 120 State Street in Montpelier;

(4) \$850,000 is appropriated to the Department of Buildings and General Services for the Judiciary for design, renovations, and land acquisition at the Washington County Superior Courthouse in Barre;

(5) \$850,000 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;

(6) \$850,000 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;

(7) \$1,500,000 is appropriated to the Vermont Veterans' Home for the design and renovation of the Brandon and Cardinal units;

(8) \$250,000 is appropriated to the Department of Buildings and General Services for planning for the 133-109 State Street tunnel waterproofing and Aiken Avenue reconstruction;

(9) \$200,000 is appropriated 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;

(10) \$1,000,000 is appropriated to the Department of Buildings and General Services for roof replacement and brick facade repairs at the McFarland State Office Building in Barre; and

(11) \$30,000 is appropriated to the Department of Fish and Wildlife for the Lake Champlain International Fishing Derby.

Sec. B.1104 APPROPRIATION OF ARPA FUNDS; FISCAL YEAR 2025

(a) To the extent that any base funding appropriation that would have otherwise come from the General Fund or a special fund has been replaced in this act with the appropriation of an equivalent amount of American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund dollars, it is the intent of the General Assembly that this funding replacement for eligible expenses is a one-time funding option for fiscal year 2025 that shall not recur. Any agency or department impacted by this funding replacement in fiscal year 2025 shall include an equivalent amount of General Fund or relevant special fund in its budget proposal in future fiscal years in order to maintain its base appropriation.

* * * Fiscal Year 2024 Adjustments, Appropriations, and Amendments * * *

Sec. C.100 2023 Acts and Resolves No. 78, Sec. B.318 is amended to read:

Sec. B.318 Department for children and families - child development

Personal services		5,670,999
Operating expenses		810,497
Grants	95,860,842	85,860,842
Total	102,342,338	92,342,338
Source of funds		
General fund	35,016,309	25,016,309
Special funds		16,745,000

Federal funds		37,419,258
Global Commitment fund		13,161,771
Total	402,342,338	<u>92,342,338</u>

Sec. C.101 2023 Acts and Resolves No. 78, Sec. B.1100 is amended to read:

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

(l) Agency of Human Services Central Office. In fiscal year 2024, funds are appropriated for the following:

* * *

(3) ~~\$10,000,000~~ \$9,440,000 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 \$13,168 Federal Revenue Fund #2205 for use as Global Commitment matching funds for one-time caseload pressures due to the suspension of Medicaid eligibility redeterminations; ~~and~~

(5) \$560,000 General Fund and \$751,168 Federal Revenue Fund #2205 for use as Global Commitment matching funds for supplemental nonemergency medical transportation funding.

(m) Department of Vermont Health Access. In fiscal year 2024, funds are appropriated for the following:

~~(1) \$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~~;~~

~~(2) \$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; ~~and~~~~

(3) \$1,311,168 in Global Commitment Fund #20405 as supplemental funding for nonemergency medical transportation services to address the urgent financial needs of the Department's contracted nonemergency medical transportation service providers.

(A) The Department of Vermont Health Access shall report on its new payment methodology for nonemergency medical transportation and the estimated costs of providing nonemergency medical transportation to Medicaid beneficiaries in fiscal year 2026 under that methodology as part of the Department's fiscal year 2025 budget adjustment presentation.

* * *

(o) Department for Children and Families. In fiscal year 2024, funds are appropriated for the following:

* * *

(13) \$500,000 General Fund and \$500,000 federal funds for information technology implementation to support the Summer Electronic Benefit Transfer Program.

* * *

Sec. C.102 GLOBAL COMMITMENT WAIVER AMENDMENT

(a) The Secretary of Human Services is authorized to request to amend Vermont's Global Commitment to Health Section 1115 Demonstration Waiver to make changes necessary to comply with federal Home and Community-Based Services Conflict of Interest requirements, as well as to seek approval of Federal Medical Assistance Percentage federal funds for certain room and board payments and rental assistance not currently eligible for Federal Medical Assistance Percentage federal funds.

Sec. C.103 GLOBAL COMMITMENT INVESTMENT; HOME-DELIVERED MEALS

(a) The Secretary of Human Services shall request approval from the Centers for Medicare and Medicaid Services for home-delivered meals that are part of a participant's service plan of care and meet Vermont's area agencies on aging's nutrition requirements in accordance with the Older Americans Act, 42 U.S.C. §§ 3001–3058ff to be a Global Commitment Investment.

Sec. C.104 3 V.S.A. § 3091 is amended to read:

§ 3091. HEARINGS

(a) An applicant for or a recipient of assistance, benefits, or social services from the Department for Children and Families, of Vermont Health Access, of Disabilities, Aging, and Independent Living, ~~or of Mental Health, or of the Department of Health's Women, Infant, and Children program,~~ or an applicant for a license from one of those departments, ~~except for the Department of Health,~~ or a licensee may file a request for a fair hearing with the Human Services Board. An opportunity for a fair hearing will be granted to any individual requesting a hearing because ~~his or her~~ the individual's claim for assistance, benefits, or services is denied, or is not acted upon with reasonable promptness; or because the individual is aggrieved by any other Agency action affecting ~~his or her~~ the individual's receipt of assistance, benefits, or services, or license or license application; or because the individual is aggrieved by Agency policy as it affects ~~his or her~~ the individual's situation.

* * *

Sec. C.105 2023 Acts and Resolves No. 78, Sec. E.104.1 is amended to read:

Sec. E.104.1 DEPARTMENT OF FINANCE AND MANAGEMENT;
PENSION PLUS APPROPRIATION DIRECTIVE

(a) In fiscal year 2024, and in each applicable year thereafter, 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. C.106 2023 Acts and Resolves No. 78, Sec. E.107(d) is amended to read:

(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; and

~~(2) any additional payments made pursuant to subdivision (c)(8) of this section to the Vermont State Retirement System; and the employer contribution to the State Employees' Postemployment Benefits Trust Fund made pursuant to 3 V.S.A. § 479a(e)(3).~~

~~(3) the employer contribution to the State Employees' Postemployment Benefits Trust Fund made pursuant to 3 V.S.A. § 479a(e)(3).~~

Sec. C.107 2023 Acts and Resolves No. 78, Sec. E.900 is amended to read:

Sec. E.900 TRANSPORTATION FUND RESERVE; REVERSIONS
EXCLUDED

(a) ~~To calculate~~ For the purpose of calculating the fiscal year 2024 Transportation Fund Stabilization Reserve requirement of five percent of prior year appropriations, Transportation Fund reversions of ~~\$20,727,012~~ are excluded from the fiscal year 2023 total appropriations amount.

Sec. C.108 CENTRAL GARAGE FUND

(a) Notwithstanding 19 V.S.A. § 13(c), the Transportation Fund transfer to the Central Garage fund in fiscal year 2024 shall be \$0.

Sec. C.109 2023 Acts and Resolves No. 78, Sec B.1102 is amended to read:

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. The Department may use up to five percent for administrative costs to allow for the support of the grant program and technical assistance.

* * *

Sec. C.110 EMERGENCY RENTAL ASSISTANCE PROGRAM;
REVERSION AND REALLOCATION

(a) The Secretary of Administration is authorized to reallocate up to \$5,000,000 of federal funds appropriated through the Emergency Rental Assistance Program, as approved by the Joint Fiscal Committee pursuant to Grant Request #3034, to existing State programs that meet the eligibility criteria established by the U.S. Treasury.

(b) To the extent the reallocations in subsection (a) of this section offset General Fund expenditures already incurred, the Commissioner of Finance and Management is authorized to reallocate an equivalent amount of General Fund spending authority to support programs established through Grant Request #3034 and subsequent Emergency Rental Assistance Program grant approvals by the Joint Fiscal Committee.

Sec. C.111 2024 Acts and Resolves No. 84, Sec. 4(b) is amended to read:

(b) Appropriation. The sum of \$500,000.00 is appropriated from the General Fund to the Secretary of State in fiscal year 2024 for the purpose of offsetting election costs incurred by school districts pursuant to this section or the provisions of 2023 Acts and Resolves No. 1. To the extent to which these funds remain unobligated and unexpended at the end of fiscal year 2024, they shall revert to the General Fund and a new one-time General Fund

appropriation shall be established in fiscal year 2025, in the amount reverted, to be used for election costs in fiscal year 2025.

Sec. C.112 2023 Acts and Resolves No. 22, Sec. 14 is amended to read:

Sec. 14. APPROPRIATION; OPIOID ABATEMENT SPECIAL FUND

In fiscal year 2023, the following monies shall be appropriated from the Opioid Abatement Special Fund pursuant to 18 V.S.A. § 4774:

(1) ~~\$1,980,000.00 for the expansion of naloxone distribution efforts, including establishing harm reduction vending machines, home delivery and mail order options, and expanding the harm reduction pack and leave behind kit programs;~~

(2)(A) ~~\$2,000,000.00~~ \$1,500,000 divided equally between four opioid treatment programs to cover costs associated with partnering with other health care providers to expand satellite locations for the dosing of medications, including costs associated with the satellite locations' physical facilities, staff time at the satellite locations, and staff time at opioid treatment programs to prepare medications and coordinate with satellite locations;

(B) the satellite locations established pursuant to this subdivision ~~(2)(1)~~ shall be located in Addison County, eastern or southern Vermont, ~~Chittenden County~~, and in a facility operated by the Department of Corrections;

(2) \$500,000 to expand the hours and operations of the Howard Center's Chittenden Clinic Addiction Treatment Center;

* * *

Sec. C.113 APPROPRIATION; EVIDENCE BASED EDUCATION AND ADVERTISING FUND

(a) \$1,980,000 is appropriated from the Evidence-Based Education and Advertising Fund to the Department of Health for the expansion of opioid antagonist distribution efforts, including establishing harm reduction vending machines, home delivery and mail order options, and expanding the harm reduction pack and leave behind kit programs.

Sec. C.114 2023 Acts and Resolves No. 78, Sec. B.1105 is amended to read:

Sec. B.1105 CASH FUND FOR CAPITAL AND ESSENTIAL INVESTMENTS – FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2024, ~~\$17,685,000~~ \$15,435,000 is appropriated from the Capital Infrastructure sub account in the Cash Fund for Capital and Essential Investments for the following projects:

* * *

~~(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; [Repealed.]~~

* * *

~~(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; [Repealed.]~~

(10) ~~\$1,000,000~~ \$750,000 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 design, renovations, and land acquisition at the Washington County Superior Courthouse in Barre;

* * *

(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; and

(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~~ \$30,025,000 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.

* * *

(3) ~~\$7,500,000~~ \$6,500,000 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

* * *

Sec. C.115 2023 Acts and Resolves No. 78, Sec. E.301.1 is amended to read:

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.

(b) To address the disruption to cash flows caused by the Change Healthcare cybersecurity incident, pursuant to 32 V.S.A. § 308b(a), funds shall be unreserved from the Human Services Caseload Reserve for appropriation to Sec. B.301 Secretary's Office Global Commitment for net-neutral transfers made under the authority granted to the Secretary of Administration in subsection (a) of this section. Once the cash flows are restored, the Commissioner of Finance and Management shall reserve in the Human Services Caseload Reserve the amount previously unreserved as part of the fiscal year 2025 budget adjustment.

Sec. C.116 2023 Acts and Resolves No. 78, Sec. B.1101 is amended to read:

Sec. B.1101 WORKFORCE AND ECONOMIC DEVELOPMENT –
FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

(a) Education workforce.

* * *

(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.

* * *

(E) 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 carry forward and shall be available to the Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

* * *

Sec. C.117 2023 Acts and Resolves No. 78, Sec. C.112 is amended to read:

Sec. C.112 FUNDING OF POLYCHLORINATED BIPHENYLS (PCB)
REMEDICATION AND REMOVAL IN SCHOOLS

(a) Education Fund; PCB appropriations. Notwithstanding 2022 Acts and Resolves No. 178, Sec. 2(b):

* * *

(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, environmental assessment, planning, management, remediation, or removal. The grants shall be in an amount sufficient to pay for 100 percent of the school's investigation, remediation, environmental assessment, planning, management, 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, environmental assessment, planning, management, 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 investigation, remediation, environmental assessment, planning, management, 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 associated with the management, demolition, and removal of PCB contamination at Burlington High School, including ancillary costs related to environmental assessments and planning, not to exceed \$16,000,000.

Sec. C.118 2023 Acts and Resolves No. 78, Sec. D.101, as amended by 2024 Acts and Resolves No. 87, Sec. 55 is further amended to read:

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:

* * *

(c)(1)(A) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amount shall revert to the General Fund from the general funds appropriated in Sec. B.301 of this act for the Global Commitment Program:

* * *

(4) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Education Fund from the accounts indicated:

5100010000	Administration	\$1,280,710.79
5100110000	Small School Grant	\$391,067.00
5100200000	Education – Technical Education	\$1,204,216.38
5100892310	Education – Universal Meals	\$6,823,849.84 <u>\$9,423,849.84</u>

* * *

Sec. C.119 2023 Acts and Resolves No. 78, Sec. B.1100, as amended by 2024 Acts and Resolves No. 87, Sec. 40, is further amended to read:

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

(a) Agency of Administration. In fiscal year 2024, funds are appropriated for the following:

* * *

(5) ~~\$6,250,000~~ \$6,265,000 General Fund for local economic damage grants to municipalities that were impacted by the July 2023 flooding event in counties that are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration DR-4720-VT. It is the intent of the General Assembly that these local economic damage grants be distributed to municipalities throughout the state to address the secondary economic impacts of the July 2023 flooding event. Monies from these grants shall not be expended on FEMA-related projects.

* * *

(B) ~~\$3,000,000~~ \$3,015,000 of the funds appropriated in this subdivision (a)(5) for local economic damage grants shall be distributed as follows:

* * *

Sec. C.120 DEPARTMENT FOR CHILDREN AND FAMILIES; FAMILY SERVICES; UNUSED FUNDS

(a) Any unused General Fund dollars designated for the purposes described in 2023 Acts and Resolves No. 78, Sec. B.317, shall revert to the General Fund and be reappropriated to the Department for Children and Families as follows:

(1) an amount not to exceed \$270,234 for grants to post-permanency adoption services;

(2) \$141,000 for grants to Vermont's 13 recovery centers and to recovery residences in the State;

(3) \$125,000 for grants to youth service bureaus in Vermont; and

(4) \$180,250 for grants to programs supporting homeless youth in Vermont.

* * * Fiscal Year 2025 Fund Transfers and Reserve Allocations * * *

Sec. D.100 ALLOCATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts allocated to special funds that receive revenue from the property transfer tax. These allocations shall not exceed available revenues.

(1) The sum of \$575,662 is allocated 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 \$575,662 from the property transfer tax deposited into

the Current Use Administration Special Fund shall be transferred into the General Fund.

(2) Notwithstanding 10 V.S.A. § 312, amounts in excess of \$22,106,740 from the property transfer tax and surcharge established by 32 V.S.A. § 9602a 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 pursuant to 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 2025 appropriation of \$22,106,740 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, the \$1,500,000 reduction in the appropriation to the Vermont Housing and Conservation Board shall be restored.

(3) Notwithstanding 24 V.S.A. § 4306(a), amounts in excess of \$7,772,373 from the property transfer tax deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$7,772,373 shall be allocated as follows:

(A) \$6,404,540 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$931,773 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.101 FUND TRANSFERS

(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(1) From the General Fund to the:

(A) General Obligation Bonds Debt Service Fund (#35100): \$73,212,880.

(B) Capital Infrastructure Subaccount in the Cash Fund for Capital and Essential Investments Fund (#21952): \$6,688,747.63.

(C) Tax Computer System Modernization Fund (#21909): \$1,800,000.

(D) Fire Prevention/Building Inspection Special Fund (#21901): \$1,400,000.

(E) Enhanced 9-1-1 Board Fund (#21711): \$1,300,000.

(F) Unsafe Dam Revolving Loan Fund (#21960): \$1,000,000.

(G) Military – Sale of Burlington Armory & Other (#21661): \$890,000.

(H) Act 250 Permit Fund (#21260): \$600,000.

(I) Criminal History Records Check Fund (#21130): \$107,277.

(J) Emergency Relief and Assistance Fund (#21555): \$830,000.

(2) From the Transportation Fund to the:

(A) Vermont Recreational Trails Fund (#21455): \$370,000.

(B) Downtown Transportation and Related Capital Improvements Fund (#21575): \$523,966.

(C) General Obligation Bonds Debt Service Fund (#35100): \$316,745.

(D) Notwithstanding 19 V.S.A. § 13(c), the Transportation Fund transfer to the Central Garage fund in fiscal year 2025 shall be \$0.

(3) From the Education Fund to the:

(A) Tax Computer System Modernization Fund (#21909): \$1,400,000.

(4) From the Clean Water Fund to the:

(A) Agricultural Water Quality Special Fund (#21933): \$9,010,000.

(B) Lake in Crisis Response Program Special Fund (#21938): \$120,000.

(5) From the Other Infrastructure, Essential Investments and Reserves Subaccount in the Cash for Capital and Essential Investments Fund to the:

(A) Transportation Fund (#20105): \$25,000,000.

(B) General Fund: \$5,000,000.

(6) From the Tax-Local Option Process Fees Fund (#21591), notwithstanding 24 V.S.A. § 138(c)(1), to the:

(A) Tax Computer System Modernization Fund (#21909): \$2,000,000.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2025:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

(A) Cannabis Regulation Fund (#21998): \$12,000,000.

(B) AHS Central Office Earned Federal Receipts (#22005): \$4,641,960.

(C) Sports Wagering Enterprise Fund (#50250): \$7,000,000.

(D) Liquor Control Fund (#50300): \$21,100,000.

(E) Tobacco Litigation Settlement Fund (#21370): \$3,000,000.

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

(A) AG-Fees & Reimbursements-Court Order Fund (#21638): \$2,000,000.

(B) Unclaimed Property Fund (#62100): \$6,500,000.

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, \$68,440,000 of the net unencumbered fund balances in the Insurance Regulatory and Supervision Fund (#21075), the Captive Insurance Regulatory and Supervision Fund (#21085), the Financial Institutions Supervision Fund (#21065), and the Securities Regulatory and Supervision Fund (#21080) shall be transferred to the General Fund.

(c)(1) Notwithstanding Sec. 1.4.3 of the Rules for State Matching Funds under the Federal Public Assistance Program, in fiscal year 2025, the Secretary of Administration may provide funding from the Emergency Relief and Assistance Fund that was transferred pursuant to subdivision (a)(1)(J) of this section to subgrantees prior to the completion of a project. In fiscal year 2025, up to 70 percent of the State funding match on the nonfederal share of an approved project for municipalities that were impacted by the August and December 2023 flooding events in counties that are eligible for Federal Emergency Management Agency Public Assistance funds under federal disaster declarations DR-4744-VT and DR-4695-VT may be advanced at the request of a municipality.

(2) Notwithstanding Sec. 1.4.1 of the Rules for State Matching Funds Under the Federal Public Assistance Program, the Secretary of Administration shall increase the standard State funding match on the nonfederal share of an approved project to the highest percentage possible given available funding for municipalities in counties that were impacted by the August and December 2023 flooding events and are eligible for Federal Emergency Management Agency Public Assistance funds under federal disaster declarations DR-4744-VT and DR-4695-VT.

Sec. D.102 REVERSIONS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2025, the following amounts shall revert to the General Fund from the accounts indicated:

<u>1210002000</u>	<u>Legislature</u>	<u>\$211,576.00</u>
<u>1215001000</u>	<u>Legislative Counsel</u>	<u>\$301,089.00</u>
<u>1220000000</u>	<u>Joint Fiscal Committee/Office</u>	<u>\$301,010.46</u>
<u>1220890501</u>	<u>Budget System/Transfer to Tax Dept</u>	<u>\$39.54</u>
<u>1220891802</u>	<u>Decarbonization Mech Study</u>	<u>\$39.00</u>
<u>3150892104</u>	<u>MH – Case Management Serv</u>	<u>\$350,000.00</u>
<u>1100892201</u>	<u>Agency of Administration – 27/53 Reserve</u>	<u>\$8,064,362.69</u>
<u>1100892302</u>	<u>Agency of Administration</u> <u>– Trans. Retirement</u>	<u>\$3,935,637.31</u>

(b) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund from the accounts indicated:

<u>3440892306</u>	<u>DCF – OEO – Home Weatherization</u> <u>Assistance</u>	<u>\$5,000,000.00</u>
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Sec. D.103 RESERVES

(a) Notwithstanding any provisions of law to the contrary, in fiscal year 2025, the following reserve transactions shall be implemented for the funds provided:

(1) General Fund.

(A) Pursuant to 32 V.S.A. § 308, an estimated amount of \$15,195,225 shall be added to the General Fund Budget Stabilization Reserve.

(B) \$5,480,000 shall be added to the 27/53 reserve in fiscal year 2025. This action is the fiscal year 2025 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.

(C) Notwithstanding 32 V.S.A. § 308b, \$3,913,200 shall be unreserved from the Human Services Caseload Reserve established within the General Fund in 32 V.S.A. § 308b.

(2) Other Infrastructure, Essential Investments and Reserves Subaccount in the Cash for Capital and Essential Investments Fund.

(A) \$25,000,000 is unreserved to be used by the Agency of Transportation in accordance with the provisions for which the funds were originally reserved in 2023 Acts and Resolves No. 78, Sec. C.108(a).

(B) \$5,000,000 of the \$14,500,000 reserved in 2023 Acts and Resolves No. 78, Sec. C.108(b) is unreserved.

(3) Transportation Fund.

(A) For the purpose of calculating the fiscal year 2025 Transportation Fund stabilization requirement of five percent of prior year appropriations, Transportation Fund reversions are excluded from the fiscal year 2024 total appropriations amount.

Sec D.104 FISCAL YEARS 2025 AND 2026 STATE EMPLOYEE
CONTRACT FUNDING

(a) As part of the fiscal year appropriations and revenue decisions, this act reserves sufficient monies to fully fund the Vermont State Employees' Association contract obligations and related appropriations. It is the intention that specific appropriations and statutory language, once developed, will be incorporated in a specific pay act bill or, if necessary, be added to this act.

(b) In order to fund the estimated \$58,948,151 fiscal year 2025 total contract cost, \$25,813,043 in federal funds and special funds or excess receipt authority will be combined with the following amounts reserved for appropriation:

(1) General Fund: \$30,635,108.

(2) Transportation Fund: \$2,500,000.

(c) In order to fund the estimated \$58,838,492 fiscal year 2026, total contract cost, \$28,048,654 in federal funds and special funds appropriation or excess receipt authority will be combined with the following amounts to be appropriated in fiscal year 2026:

(1) General Fund: \$27,789,838.

(2) Transportation Fund: \$3,000,000.

* * * General Government * * *

Sec. E.100 POSITIONS

(a) The establishment of 33 permanent positions is authorized in fiscal year 2025 for the following:

(1) Permanent classified positions:

(A) Department of Public Safety:

(i) one Criminal History Record Specialist I; and

(ii) three Regional Emergency Management Program Coordinators.

(B) Department of Forests, Parks and Recreation:

(i) four Field Park Manager IV's.

(C) Office of the Treasurer:

(i) one Internal Auditor.

(D) Office of the Secretary of State:

(i) one Administrative Services Coordinator IV; and

(ii) one Information Technology Specialist III.

(E) Department of Health:

(i) one Grants Administrator.

(F) Department of Environmental Conservation:

(i) ten Environmental Analysts;

(ii) two Environmental Engineers;

(iii) two Environmental Technicians; and

(iv) one Administrative Services Coordinator.

(G) Agency of Education:

(i) one CTE Education Programs Coordinator.

(2) Permanent exempt positions:

(A) Agency of Administration – Secretary's Office:

(i) one Chief Performance Officer.

(B) Judiciary:

(i) three Superior Court Judges.

(C) Department of State's Attorneys and Sheriffs:

(i) one SIU Director.

(b) The conversion of 14 limited service positions to classified permanent status is authorized in fiscal year 2025 as follows:

(1) Department of Environmental Conservation:

(A) one Environmental Engineer V;

(B) one Environmental Engineer III; and

(C) one Environmental Scientist IV.

(2) Department of Labor:

(A) one Re-Employment Services and Eligibility Assessment Program Program Coordinator; and

(B) nine Re-Employment Services and Eligibility Assessment Program Facilitators.

(3) Agency of Education:

(A) one Education Project Manager.

(c) The establishment of 35 exempt limited service positions is authorized in fiscal year 2025 as follows:

(1) Judiciary:

(A) ten Judicial Assistants;

(B) two IT Help Desk Analysts;

(C) two Centralized Service Analysts;

(D) one Database Administrator; and

(E) 11 Judicial Officer II's.

(1) Department of State's Attorneys and Sheriffs:

(A) three Deputy State's Attorneys;

(B) three Victim Advocates; and

(C) three Administrative Secretaries.

Sec. E.100.1 3 V.S.A. § 2310 is added to read:

§ 2310. CHIEF PERFORMANCE OFFICER

(a) There is created the permanent, exempt position of Chief Performance Officer within the Agency of Administration for the purpose of better

developing a culture of performance accountability and continuous improvement across State government. The Chief Performance Officer shall:

(1) provide advice, recommendations, and consultation to the Executive and Legislative branches of State government about performance improvement and management;

(2) lead the creation and implementation of a performance improvement and management strategy for State government to ensure effective and efficient government operations;

(3) assist agencies and departments as necessary in developing, monitoring, managing, and improving performance measures as well as developing strategies that maximize results and return on investment;

(4) develop and offer trainings, professional development opportunities, and resources for agencies and departments regarding performance improvement and management; and

(5) provide consultation on the design and implementation of systems that use data and metrics to measure and report performance.

Sec. E.106 CORONAVIRUS STATE FISCAL RECOVERY FUND
APPROPRIATIONS; REVERSION AND REALLOCATION

(a) The Agency of Administration shall structure any existing American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund program in accordance with the requirements of 31 C.F.R. Part 35 and in a manner designed to achieve the intent of the General Assembly and may reallocate unspent funds across governmental units in an overall net-neutral manner.

(b) The Commissioner of Finance and Management is authorized to revert all unobligated American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund monies prior to December 31, 2024. The total amount of American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund monies reverted in accordance with this subsection shall be allocated pursuant to 32 V.S.A. § 511 to the following purposes in the following order:

(1) \$36,000,000 to the Department of Public Safety Division of Emergency Management for Federal Emergency Management Agency match or municipal support for hazard mitigation. Any unused funds shall be deposited in the Community Resilience and Disaster Mitigation Fund.

(2) \$4,000,000 to the Agency of Administration for Administration costs, including for anticipated audit response per 2021 Acts and Resolves No. 74, Sec. G.801(a) and 2022 Acts and Resolves No. 185, Sec. G.801(A).

(3) \$30,000,000 to the Vermont Housing and Conservation Board to provide support and enhance capacity for the production and preservation of affordable mixed-income rental housing homeownership units, including improvements to manufactured homes and communities, permanent homes and emergency shelter for those experiencing homelessness, recovery residences, and housing available to farm workers, refugees, and individuals who are eligible to receive Medicaid-funded home and community based services.

(4) \$25,000,000 to the Department of Housing and Community Development for a grant to the Vermont Housing Finance Agency for the Middle-Income Homeownership Development Program, the First Generation Homebuyer Program, and the Vermont Rental Revolving Loan Fund. Up to \$1,000,000 of these funds may be for the First Generation Homebuyer Program.

(5) Any remaining funds shall be reallocated, with the express authorization of the Joint Fiscal Committee, to existing American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund programs established by the General Assembly.

(c) If previously obligated American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund monies become unobligated after December 31, 2024, the Commissioner of Finance and Management may, with the approval of the Joint Fiscal Committee, revert the unobligated American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund monies and allocate the monies for expenditure pursuant to 32 V.S.A. § 511 to any existing American Rescue Plan Act – Coronavirus State Fiscal Recovery programs in accordance with the requirements of 31 C.F.R. Part 35.

Sec. E.125 OFFICE OF LEGISLATIVE COUNSEL; NEW POSITIONS

(a) The abolishment of two session-only Law Clerk positions and the establishment of one new permanent exempt Law Clerk position and two new permanent exempt Legislative Counsel positions in the Office of Legislative Counsel is authorized in fiscal year 2025.

Sec. E.125.1 2 V.S.A. § 403 is amended to read:

§ 403. FUNCTIONS; CONFIDENTIALITY

* * *

(b)(1)(A) All requests for legal assistance, information, and advice from the Office of Legislative Counsel; all information received in connection with research or drafting; and all confidential materials provided to or generated by the Office shall remain confidential unless the party requesting or providing the information or material designates that it is not confidential.

(B) Any draft of a report or other work in progress generated by or submitted to the Office of Legislative Counsel shall remain confidential until it has been finalized.

* * *

Sec. E.126.1 OFFICE OF LEGISLATIVE INFORMATION
TECHNOLOGY; NEW POSITION

(a) The establishment of one new permanent exempt Audio Visual Specialist position in the Office of Legislative Information Technology is authorized in fiscal year 2025.

Sec. E.126.2 2 V.S.A. § 703 is amended to read:

§ 703. FUNCTIONS; CONFIDENTIALITY

(a) The Office of Legislative Information Technology shall:

* * *

(b) Any draft of a report or other work in progress generated by or submitted to the Office of Legislative Information Technology shall remain confidential until it has been finalized.

Sec. E.126.3 LEGISLATURE; STATE HOUSE RENOVATION
APPROVAL

(a) The Speaker of the House, President Pro Tempore of the Senate, Chair the House Committee on Appropriations, and the Chair of the Senate Committee on Appropriations shall have the authority to approve the use of legislative budget carryforward funds to cover the cost of room renovations to increase public space within the State House.

Sec. E.127 JOINT FISCAL OFFICE; POSITION

(a) The establishment of one new permanent exempt analyst position in the Joint Fiscal Office is authorized in fiscal year 2025.

Sec. E.127.1 2 V.S.A. § 523 is amended to read:

§ 523. FUNCTIONS; CONFIDENTIALITY

* * *

(b)(1)(A) All requests for assistance, information, and advice from the Joint Fiscal Office, all information received in connection with fiscal research or related drafting, and all confidential materials provided to or generated by the Joint Fiscal Office shall remain confidential unless the party requesting or providing the information designates that it is not confidential.

(B) Any draft of a report or other work in progress generated by or submitted to the Joint Fiscal Office shall remain confidential until it has been finalized.

* * *

Sec. E.127.2 FISCAL YEAR 2025 FEE REPORT; PROTECTION TO
PERSONS AND PROPERTY

(a) Fiscal year 2025 fee information. The Judiciary, agencies, departments, boards, and offices that receive appropriations in Secs. B.200 through B.299 of this act shall, in collaboration with the Joint Fiscal Office, prepare a comprehensive fee report for each fee that is in effect in fiscal year 2025. The fee report shall contain the following information for each fee:

- (1) the statutory authorization and termination date, if any;
- (2) the current rate or amount of the fee and the 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 amount of revenue derived from the fee in each of the five fiscal years preceding fiscal year 2025;
- (5) the number of times that the fee was paid in each of the two fiscal years preceding fiscal year 2025;
- (6) a projection of the fee revenues in fiscal years 2025 and 2026;
- (7) a description of the service or product provided or the regulatory function performed by the Judiciary, agency, department, board or office supported by the fee;
- (8) the amount of the fee if adjusted for inflation from the last time the fee amount was modified;
- (9) if any portion of the fee revenue is deposited into a special fund, the percentage of the special fund's revenues that the fee represents;
- (10) any available information regarding comparable fees in other jurisdictions;
- (11) any polices or trends that might affect the viability of the fee amount; and
- (12) any other relevant considerations for setting the fee amount.

(b) Reports.

(1) On or before October 15, 2024, the Judiciary, agencies, departments, boards, and offices described in subsection (a) of this section shall submit a

prepared draft report of the information required in subdivisions (a)(1)–(12) of this section to the Joint Fiscal Office for review. The Judiciary, agencies, departments, boards, and offices shall work with the Joint Fiscal Office to finalize the report before submitting the final report described in subdivision (2) of this subsection.

(2) On or before December 15, 2024, the Judiciary, agencies, departments, boards, and offices described in subsection (a) shall submit a final report 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 requested in this section cannot be provided for any reason, the Judiciary, agencies, departments, boards, and offices described in subsection (a) shall include in both the draft and final reports a written explanation for why the information cannot be provided.

(c) As used in this section, “fee” means any source of State revenue classified by the Department of Finance and Management Accounting System as “fees,” “business licenses,” “nonbusiness licenses,” and “fines and penalties.”

(d) Fee report moratorium. Notwithstanding 32 V.S.A. § 605, in fiscal year 2025, the Governor shall not be required to submit the consolidated Executive Branch fee annual report and request to the General Assembly.

Sec. E.132 33 V.S.A. § 8003 is amended to read:

§ 8003. PROGRAM LIMITATIONS

(a) Cash contributions. The Treasurer or designee shall not accept a contribution:

(1) unless it is in cash; or

(2) except in the case of a contribution under 26 U.S.C. § 529A(c)(1)(C) (relating to a change in a designated beneficiary or program), if such contribution to an ABLE account would result in aggregate contributions from all contributors to the ABLE account for the taxable year exceeding the amount in effect under 26 U.S.C. § 2503(b) for the calendar year in which the taxable year begins.

(b) Separate accounting. The Treasurer or designee shall provide separate accounting for each designated beneficiary.

(c) Limited investment direction. A designated beneficiary may, directly or indirectly, direct the investment of any contributions to the Vermont ABLE Savings Program, or any earnings thereon, ~~no~~ not more than two times in any calendar year.

(d) No pledging of interest as security. A person shall not use an interest in the Vermont ABLE Savings Program, or any portion thereof, as security for a loan.

(e) Prohibition on excess contributions. The Treasurer or designee shall adopt adequate safeguards under the Vermont ABLE Savings Program to prevent aggregate contributions on behalf of a designated beneficiary in excess of the limit established by the State pursuant to 26 U.S.C. § 529(b)(6).

(f) Adjustment or recovery. Neither the State nor any agency or instrumentality of the State shall seek adjustment or recovery against an ABLE account for the costs of benefits provided to a designated beneficiary.

(g) Abandoned accounts. Any abandoned ABLE accounts shall be subject to the unclaimed property provisions in 27 V.S.A. chapter 18.

Sec. E.132.1 27 V.S.A. § 1452 is amended to read:

§ 1452. DEFINITIONS

As used in this chapter:

* * *

(24) “Property” means tangible property described in section 1465 of this title or a fixed and certain interest in intangible property held, issued, or owed in the course of a holder’s business or by a government, governmental subdivision, agency, or instrumentality. The term:

* * *

(C) does not include:

(i) ~~property held in a plan described in 26 U.S.C. § 529A, as may be amended;~~ [Repealed.]

(ii) game-related digital content;

(iii) a loyalty card; or

(iv) a gift card.

* * *

Sec. E.133 VERMONT STATE EMPLOYEES’ RETIREMENT SYSTEM
AND VERMONT PENSION INVESTMENT COMMISSION;
OPERATING BUDGET, SOURCE OF FUNDS

(a) Of the \$3,063,180 appropriated in Sec. B.133 of this act, \$2,047,989 constitutes the Vermont State Employees’ Retirement System operating budget, and \$1,015,191 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 \$1,737,125 appropriated in Sec. B.134 of this act, \$1,359,845 constitutes the Vermont Municipal Employees' Retirement System operating budget, and \$377,280 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont Municipal Employees' Retirement System.

Sec. E.134.1 VERMONT MUNICIPAL EMPLOYEES' RETIREMENT
SYSTEM; FISCAL YEARS 2027-2030; RATES

(a) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period of July 1, 2026 through June 30, 2027, contributions shall be made by:

(1) Group A members at the rate of 4.5 percent of earnable compensation;

(2) Group B members at the rate of 6.875 percent of earnable compensation;

(3) Group C members at the rate of 12.0 percent of earnable compensation; and

(4) Group D members at the rate of 13.35 percent of earnable compensation.

(b) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period July 1, 2027 through June 30, 2028, contributions shall be made by:

(1) Group A members at the rate of 4.75 percent of earnable compensation;

(2) Group B members at the rate of 7.125 percent of earnable compensation;

(3) Group C members at the rate of 12.25 percent of earnable compensation; and

(4) Group D members at the rate of 13.6 percent of earnable compensation.

(c) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period July 1, 2028 through June 30, 2029, contributions shall be made by:

(1) Group A members at the rate of 5.0 percent of earnable compensation;

(2) Group B members at the rate of 7.375 percent of earnable compensation;

(3) Group C members at the rate of 12.5 percent of earnable compensation; and

(4) Group D members at the rate of 13.85 percent of earnable compensation.

(d) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period July 1, 2029 through June 30, 2030, contributions shall be made by:

(1) Group A members at the rate of 5.25 percent of earnable compensation;

(2) Group B members at the rate of 7.625 percent of earnable compensation;

(3) Group C members at the rate of 12.75 percent of earnable compensation; and

(4) Group D members at the rate of 14.1 percent of earnable compensation.

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

(a) Of the appropriation in Sec. B.139 of this act, \$9,000 shall be transferred to the Attorney General and \$70,000 shall be transferred to the Department of Taxes' Division of Property Valuation and Review and reserved and used with any remaining funds from the amount previously transferred for final payment of expenses incurred by the Department or towns in defense of grand list appeals regarding the reappraisals of the hydroelectric plants and other expenses incurred to undertake utility property appraisals in Vermont.

Sec. E.142 PAYMENTS IN LIEU OF TAXES

(a) This appropriation is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in addition to and without regard to the appropriations for PILOT for Montpelier and for correctional facilities elsewhere in this act. Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.143 PAYMENTS IN LIEU OF TAXES; MONTPELIER

(a) Payments in lieu of taxes under this section 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 this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.200 ATTORNEY GENERAL

(a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain, subject to appropriation, one-half of the State share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the State share of restitution to the Medicaid Program. All such designated additional recoveries retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$1,749,700 is appropriated in Sec. B.200 of this act.

Sec. E.204 JUDICIARY; SUPERIOR COURT JUDGE POSITIONS

(a) Of the three Superior Court Judge positions established in Sec. E.100(a)(2)(B)(i) of this act, one shall be funded with the Tobacco Litigation Settlement Fund dollars appropriated to the Judiciary in 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106(a).

Sec. E.204.1 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106, is amended to read:

Sec. C.106 CHINS CASES SYSTEM-WIDE REFORM

(a) The sum of ~~\$7,000,000~~ \$4,000,000 is appropriated from the Tobacco Litigation Settlement Fund to the Judiciary in fiscal year 2018 and shall carry forward for the uses and based on the allocations set forth in subsections (b) and (c) of this section. The purpose of the funds is to make strategic investments to transform the adjudication of CHINS cases in Vermont.

(b) The sum appropriated from the Tobacco Litigation Settlement Fund in subsection (a) of this section shall be allocated as follows:

(1) \$1,250,000 for fiscal year 2019, which shall not be distributed until the group defined in subsection (c) of this section provides proposed expenditures as part of its fiscal year 2019 budget adjustment request;

(2) ~~\$2,500,000~~ \$1,750,000 for fiscal year 2020, for which the group shall provide proposed expenditures as part of its fiscal year 2020 budget request or budget adjustment request, or both;

(3) ~~\$2,500,000~~ \$250,000 for fiscal year 2021, for which the group shall provide proposed expenditures as part of its fiscal year 2021 budget request or budget adjustment request, or both; and

(4) \$750,000 in fiscal year 2022 or after as needed.

* * *

Sec. E.208 PUBLIC SAFETY; ADMINISTRATION

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

Sec. E.208.1 DEPARTMENT OF PUBLIC SAFETY; EMBEDDED
MENTAL HEALTH WORKERS; REPORT

(a) In 2025, the Department of Public Safety shall present the House Committee on Health Care and the Senate committees on Health and Welfare and on Judiciary with measurable outcomes on the results of the Department's embedded mental health worker program to date, by barrack, and on the Department's collaboration with the Department of Mental Health to achieve a coordinated and integrated system of care, including how this program works with 988, with the statewide Mobile Crisis Response program, and with the designated and specialized service agencies.

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 fund the work of the Drug Task Force or carried forward.

Sec. E.212 PUBLIC SAFETY; FIRE SAFETY

(a) Of the General Fund appropriation in Sec. B.212 of this act, \$55,000 shall be granted to the Vermont Rural Fire Protection Task Force for the purpose of designing dry hydrants.

Sec. E.215 MILITARY; ADMINISTRATION

(a) Of the funds appropriated in Sec. B.215 of this act, \$1,319,834 shall be granted 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, \$2,000 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.232 SECRETARY OF STATE; VERMONT ACCESS NETWORK
BUDGET

(a) The Office of the Secretary of State shall request that Vermont Access Network submit a proposed operating budget required to maintain its current level of operation and programming. The Office of the Secretary of State shall include the proposed operating budget as part of its fiscal year 2026 budget presentation.

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) \$2,000,406 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 18 V.S.A. § 8915 is added to read:

§ 8915. PROVISION FOR AGREEMENTS WITH CASE MANAGEMENT
ENTITIES

(a) Notwithstanding any provision of law to the contrary, the Commissioner of Disabilities, Aging, and Independent Living may enter into agreements with case management entities to support local communities. The Commissioner may develop rules setting forth the standards and procedures for the case management entities it contracts with.

Sec. E.300.2 2022 Acts and Resolves No. 83, Sec. 72a, as amended by 2022 Acts and Resolves No. 185, Sec. C.105 and 2023 Acts and Resolves No. 78, Sec. E.301.2, 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 obligated in fiscal year ~~years~~ 2023 and ~~fiscal year,~~ 2024, and 2025 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 ~~years~~ 2023 and ~~fiscal year,~~ 2024, and 2025 in the same manner as the Global Commitment appropriations in 2022 Acts and Resolves No. 185, Sec. E.301. The Agency shall report to the Joint Fiscal Committee in September 2023 and, September 2024, and September 2025, respectively, on transfers of appropriations made and final amounts expended by each department in fiscal year ~~years~~ 2023 and ~~fiscal year,~~ 2024, and 2025, respectively, and any obligated funds carried forward to be expended in fiscal year 2024 and fiscal year 2025, respectively.

Sec. E.300.3 AGENCY OF HUMAN SERVICES; FISCAL YEAR 2024
CLOSEOUT CONTINGENT APPROPRIATION;
COMPREHENSIVE CHILD WELFARE INFORMATION
SYSTEM

(a) Notwithstanding 2024 Acts and Resolves No. 87, Sec. 103(a), to the extent to which General Fund dollars appropriated to the Agency of Human Services in 2023 Acts and Resolves No. 78, Secs. B.300 through B.341 remain unobligated and unexpended at the end of fiscal year 2024, up to \$3,000,000 shall revert to the General Fund. A one-time General Fund appropriation in an amount equivalent to the reversion shall be made to the Department for Children and Families' Family Services Division for the Comprehensive Child Welfare Information System in fiscal year 2025.

Sec. E.300.4 CLIENT HOUSING; CASE MANAGEMENT SERVICES

(a) The Agency of Human Services shall require that all case managers employed by or under contract with the Agency or reimbursed through an Agency-funded grant are responsible for ensuring that each client of the case manager is appropriately housed. If a client does not have safe and appropriate housing, the case manager shall have the responsibility of ensuring that temporary emergency shelter is procured while more permanent housing is sought.

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 required under the intergovernmental agreement between the Agency of Human Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver 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 \$24,301,185 is anticipated to be certified as State matching funds under Global Commitment as follows:

(1) \$21,295,850 certified State match available from local education agencies for eligible special education school-based Medicaid services under Global Commitment. This amount, combined with \$29,204,150 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) \$3,005,335 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 \$4,487,210 is transferred from the Agency of Human Services Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 of this act.

Sec. E.301.1 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER;
REPORT

(a) To facilitate the end-of-year closeout for fiscal year 2025, 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 sent to the Joint Fiscal Committee for review at the Committee's September 2025 meeting. The purpose of this section is to provide the Agency of Human Services with limited authority to modify appropriations to comply with the terms and conditions of the Global Commitment for Health Section 1115 demonstration

waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.306 DR. DYNASAUR; PREMIUM INVOICING SUSPENSION AND AMNESTY

(a) The Agency of Human Services is authorized under 33 V.S.A. § 1901(c) and Vermont's Global Commitment to Health Section 1115 Medicaid demonstration to charge a monthly premium for certain Dr. Dynasaur enrollees whose family income exceeds 195 percent of the federal poverty level. The Agency suspended premium invoicing for this population as a result of the COVID-19 public health emergency, and that premium suspension has continued following the end of the public health emergency.

(b)(1) The Agency shall not attempt to collect or take adverse action against a Dr. Dynasaur enrollee or the enrollee's family as a result of any unpaid premium balance that was incurred prior to the public health emergency or during the period of the invoicing suspension.

(2) At such time as the Agency reinstates premium invoicing, no Dr. Dynasaur applicant or enrollee shall carry any outstanding premium balance.

Sec. E.306.1 HEALTH INSURANCE MARKETS; TECHNICAL ANALYSIS

(a) The Agency of Human Services shall conduct a technical analysis relating to Vermont's health insurance markets that shall include:

(1) determining the potential advantages and disadvantages to individuals, small businesses, and large businesses of modifying Vermont's current health insurance market structure, including the impacts on health insurance premiums and on Vermonters' access to health care services;

(2) exploring other affordability mechanisms to address the calendar year 2026 expiration of federal enhanced premium tax credits for plans issued through the Vermont Health Benefit Exchange; and

(3) examining the feasibility of creating a public option or other mechanism through which otherwise ineligible individuals or employees of small businesses, or both, could buy into Vermont Medicaid coverage.

(b) On or before January 15, 2025, the Agency of Human Services and the Department of Vermont Health Access shall provide the results of the analysis to the House Committees on Health Care and the Senate Committee on Health and Welfare and on Finance.

Sec. E.306.2 DVHA; RATE ANALYSES REQUEST

(a) To the extent that resources allow, on or before January 15, 2025, the Department of Vermont Health Access shall provide the following analyses to the House Committees on Health Care and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations:

(1) methodologies for comparing Medicaid rates for home health agency services to rates under the Medicare home health prospective payment system model and for comparing Medicaid pediatric palliative care rates to rates under the Medicare home health prospective payment system model or to Medicare hospice rates, or both; and

(2) methodologies for modifying the Medicaid Resource-Based Relative Value Scale professional fee schedule by considering:

(A) maintaining alignment with relative value units used by Medicare but including a minimum on conversion factors;

(B) benchmarking one or more conversion factors in Vermont Medicaid to the Medicare conversion factor from a specific year; and

(C) determining whether Vermont Medicaid should continue to use two separate conversion factors, or transition to a single conversion factor in combination with other methods of providing enhanced support for primary care services.

Sec. E.306.3 PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY;
LICENSURE

(a) Notwithstanding any provision of law to the contrary, no funds appropriated to the Department of Vermont Health Access in this act shall be expended for operation of a psychiatric residential treatment facility until the facility has been licensed by the State; provided, however, that the Department may expend funds on goods and services, such as purchasing supplies and hiring and training staff, that are necessary to prepare the facility to be operational upon licensure. Notwithstanding 2023 Acts and Resolves No. 78, Sec. E.511.1, a psychiatric residential treatment facility may be approved as a therapeutic school in accordance with 16 V.S.A. § 166(b) and applicable State Board of Education Rules.

Sec. E.306.4 MEDICARE SAVINGS PROGRAMS; INCOME ELIGIBILITY

(a) The Agency of Human Services shall make the following changes to the Medicare Savings Programs:

(1) increase the Qualified Medicare Beneficiary Program income threshold to 145 percent of the federal poverty level;

(2) eliminate the Specified Low-Income Medicare Beneficiary Program;
and

(3) increase the Qualifying Individual Program income threshold to 190 percent of the federal poverty level.

Sec. E.306.5 MEDICARE SAVINGS PROGRAMS; MEDICAID STATE
PLAN AMENDMENT; VPHARM TRANSITION; REPORT

(a) The Agency of Human Services shall request approval from the Centers for Medicare and Medicaid Services to amend Vermont's Medicaid state plan to expand eligibility for the Medicare Savings Programs as set forth in Sec. E.306.4 of this act.

(b) On or before January 15, 2025, the Agency of Human Services shall provide recommendations to the House Committees on Health Care, on Human Services, and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations regarding the VPharm program to ensure alignment with the Medicare Savings Program eligibility expansion set forth in Sec. E.306.4 of this act, including:

(1) whether the VPharm program should be modified or repealed as a result of the Medicare Savings Program eligibility expansion;

(2) whether the benefits provided by the VPharm program should be delivered through an alternative program design;

(3) the estimated fiscal impacts of implementing any recommended changes; and

(4) when any recommended changes should take effect.

(c) The Agency of Human Services and the Department of Vermont Health Access shall seek input from the Office of the Health Care Advocate and other interested stakeholders in developing the recommendations required by this section.

Sec. E.307 14 V.S.A. § 931 is amended to read:

§ 931. LIMITATIONS ON CLAIMS OF CREDITORS

All claims against the decedent's estate that arose before the death of the decedent, including claims of the State and any subdivision thereof except claims filed by the State on behalf of Vermont Medicaid, absolute or contingent, liquidated or unliquidated, founded on contract, tort, or other legal basis, if not barred earlier by other statute of limitations, are barred against the estate, the legal representative of the estate, and the heirs and devisees of the decedent, unless presented within one year after the decedent's death. Nothing in this section affects or prevents any proceeding to enforce any mortgage,

pledge, or other lien upon the property of the estate. Claims filed by the State on behalf of Vermont Medicaid must be filed in accordance with subsection 1203(d) of this title.

Sec. E.307.1 14 V.S.A. § 1203 is amended to read:

§ 1203. LIMITATIONS ON PRESENTATION OF CLAIMS

(a) All claims against a decedent's estate that arose before the death of the decedent, including claims of the State and any subdivision thereof except claims filed by the State on behalf of Vermont Medicaid, whether due or to become due, absolute or contingent, liquidated or unliquidated, founded on contract, tort, or other legal basis, except claims for the possession of or title to real estate and claims for injury to the person and damage to property suffered by the act or default of the deceased, if not barred earlier by other statute of limitations, are barred against the estate, the executor or administrator, and the heirs and devisees of the decedent, unless presented as follows:

(1) within four months after the date of the first publication of notice to creditors if notice is given in compliance with the Rules of Probate Procedure; provided, however, that claims barred by the nonclaim statute of the decedent's domicile before the first publication for claims in the State are also barred in this State;

(2) within one year after the decedent's death, if notice to creditors has not been published or otherwise given as provided by the Rules of Probate Procedure.

* * *

(d) Claims filed by the State on behalf of Vermont Medicaid must be presented within four months after the date of the first publication of notice to creditors if notice is given in compliance with the Rules of Probate Procedure, regardless of the date of the decedent's death or when a decedent's executor or administrator opens the estate.

Sec. E.311.1 18 V.S.A. chapter 1, subchapter 2 is amended to read:

Subchapter 2. Health Care Professions; Educational Assistance

* * *

§ 32. EDUCATIONAL LOAN REPAYMENT FOR HEALTH CARE PROVIDERS PROFESSIONALS AND HEALTH CARE EDUCATIONAL LOAN REPAYMENT FUND

(a) There is hereby established a special fund to be known as the Vermont Health Care Educational Loan Repayment Fund, that shall be used for the purpose of ensuring a stable and adequate supply of health care providers

professionals and health care educators to meet the health care needs of Vermonters, with a focus on recruiting and retaining ~~providers~~ professionals and health care educators in underserved geographic and specialty areas.

(b) The fund shall be established and held separate and apart from any other funds or monies of the State and shall be used and administered exclusively for the purpose of this section. The money in the Fund shall be invested in the same manner as permitted for investment of funds belonging to the State of held in the Treasury. The Fund shall consist of the following:

(1) such sums as may be appropriated or transferred from time to time by the General Assembly, the state Emergency Board, or the Joint Fiscal Committee during such times as the General Assembly is not in session;

(2) interest earned from the investment of fund balances;

(3) any other money from any other source accepted for the benefit of the Fund.

(c) The Fund shall be administered by the Department of Health, which shall make funds available to the University of Vermont College of Medicine area health education centers (AHEC) program for loan repayment awards. The Commissioner may require certification of compliance with this section prior to the making of an award.

* * *

(e) AHEC shall make loan repayment awards in exchange for service commitment by health care ~~providers~~ professionals and health care educators and shall define the service obligation in a contract with the health care ~~provider~~ professional or health care educator. Payment awards shall be made directly to the educational loan creditor or lender of the health care ~~provider~~ professional or health care educator.

(f) Loan repayment awards shall only be available for a health care ~~provider~~ professional or health care educator who:

* * *

(i) As used in this section:

* * *

(2) “Health care ~~provider~~ professional” shall mean an individual licensed, certified, or otherwise or authorized by law to provide professional health care ~~service~~ services in this State to an individual during that individual’s medical, mental health, or dental care; treatment or confinement; or in a public health role.

(j) Loan repayment shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and AHEC in the following fiscal year to award additional loan repayment as set forth in this section.

* * *

§ 33. UNIVERSITY OF VERMONT COLLEGE OF MEDICINE;
MEDICAL STUDENT INCENTIVE SCHOLARSHIP

* * *

(f) 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 carry forward 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.

§ 34. VERMONT NURSING FORGIVABLE LOAN INCENTIVE
PROGRAM

(a) As used in this section:

* * *

(4) “Forgivable loan” means a loan awarded under this section covering tuition, which may also ~~include~~ cover room, board, and the cost of required books and supplies for up to full-time attendance at an eligible school.

* * *

(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:

* * *

(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 and such financial aid forms as the Corporation deems necessary, in accordance with a schedule determined by the Corporation; and~~

* * *

(j) 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 carry forward 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.

* * *

§ 35. VERMONT HEALTH CARE PROFESSIONAL LOAN REPAYMENT PROGRAM

(a) As used in this section:

* * *

(4) “Loan repayment” means the ~~cancellation and~~ repayment of loans under this section.

* * *

(b) The Vermont Health Care Professional Loan Repayment Program is created and shall be administered by the Department of Health in collaboration with AHEC. The Program provides loan repayment on behalf of individuals who live and work in this State as a nurse, physician assistant, medical lab technician, medical lab technologist, clinical laboratory scientist, child psychiatrist, or primary care provider and who meet the eligibility requirements in subsection (d) of this section.

(c) The loan repayment benefits provided under the Program shall be paid on behalf of the eligible individual by AHEC, subject to the appropriation of funds by the General Assembly for this purpose.

(d) To be eligible for loan repayment under the Program, an individual shall satisfy all of the following requirements:

(1) have graduated from an eligible school where the individual was awarded a degree in nursing, physician assistant studies, medicine, osteopathic medicine, or naturopathic medicine, or a two- or four-year degree that qualifies the individual to be a medical lab technician, medical lab technologist or clinical laboratory scientist;

(2) work in this State as a nurse, physician assistant, medical lab technician, medical lab technologist or clinical laboratory scientist, child psychiatrist, or primary care provider; and

(3) be a resident of Vermont.

(e)(1) An eligible individual shall be entitled to an amount of loan ~~cancellation and~~ repayment under this section ~~equal to one year of loans for each year of service as a nurse, physician assistant, medical technician, child psychiatrist, or primary care provider in this State for a defined service obligation in Vermont of no less than one year.~~ Employment as a traveling nurse shall not be construed to satisfy the service commitment required ~~for loan repayment~~ under this section.

(2) AHEC shall award loan repayments in amounts that are sufficient to attract high-quality candidates while also making a meaningful increase in Vermont's health care professional workforce.

(f) Loan repayment shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and AHEC in the following fiscal year to award additional loan repayment as set forth in this section.

* * *

§ 36. NURSE FACULTY FORGIVABLE LOAN INCENTIVE PROGRAM

* * *

(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:

* * *

(5) ~~have completed the Program's application form and the Free Application for Federal Student Aid (FAFSA)~~ such financial aid forms as the Corporation deems necessary, in accordance with a schedule determined by the Corporation; and

* * *

(g) 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 carry forward 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.

* * *

§ 37. NURSE FACULTY LOAN REPAYMENT PROGRAM

(a) As used in this section:

* * *

(4) "Loan repayment" means the ~~cancellation and~~ repayment of loans under this section.

* * *

(e) An eligible individual shall be entitled to an amount of loan ~~cancellation and~~ repayment under this section ~~equal to one year of loans for each year of service as a member of the nurse faculty at a nursing school in~~

this state for a defined service obligation of not less than one year at a Vermont nursing school.

(f) Loan repayment shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and AHEC in the following fiscal year to award additional loan repayment as set forth in this section.

* * *

§ 38. VERMONT MENTAL HEALTH PROFESSIONAL FORGIVABLE
LOAN INCENTIVE PROGRAM

* * *

(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:

* * *

(5) have completed the Program's application form and ~~the Free Application for Federal Student Aid (FAFSA)~~ such financial aid forms as the Corporation deems necessary, in accordance with a schedule determined by the Corporation; and

* * *

(h) 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 carry forward 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.

* * *

§ 39. VERMONT PSYCHIATRIC MENTAL HEALTH NURSE
PRACTITIONER FORGIVABLE LOAN INCENTIVE PROGRAM

* * *

(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:

* * *

(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)~~(e) 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)~~ such financial aid forms as the Corporation deems necessary, in accordance with a schedule determined by the Corporation; and

* * *

(g) 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 carry forward 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.

* * *

§ 40. VERMONT DENTAL HYGIENIST FORGIVABLE LOAN INCENTIVE PROGRAM

* * *

(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:

* * *

(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)~~(e) 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~~ and such financial aid forms as the Corporation deems necessary, in accordance with a schedule determined by the Corporation; and

* * *

(h) 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 carry forward 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.

* * *

Sec. E.312 HEALTH; PUBLIC HEALTH

(a) AIDS/HIV funding:

(1) In fiscal year 2025 and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated according to an RFP process.

(2) In fiscal year 2025 and as provided in this section, the Department of Health shall provide grants in the amount of \$295,000 for HIV and Harm Reduction Services 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 shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by the State General Fund.

(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in the Vermont Medication Assistance Program 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 Vermont Medication Assistance Program medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the Vermont Medication Assistance Program 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 2025, the Department of Health shall provide grants in the amount of \$400,000 General Fund and \$700,000 Opioid Settlement Fund to existing syringe service programs for HIV and Harm Reduction Services no later than September 1, 2024. 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 2025, the Department of Health shall provide grants in the amount \$350,000 Opioid Settlement Fund to fund new syringe service programs to increase the geographic distribution of Harm Reduction Services in Vermont no later than September 1, 2024.

(6) In fiscal year 2025, the Department of Health shall not reduce any grants to the Vermont AIDS service and peer-support organizations or syringe service programs from funds appropriated for AIDS/HIV services to levels below those in fiscal year 2024 without receiving prior approval from the Joint Fiscal Committee.

Sec. E.312.1 18 V.S.A. § 4772 is amended to read:

§ 4772. OPIOID SETTLEMENT ADVISORY COMMITTEE

* * *

(e) Presentation. Annually, the Advisory Committee shall vote on its recommendations. If the recommendations are supported by a majority affirmative vote, the Advisory Committee shall present its recommendations for expenditures from the Opioid Abatement Special Fund established pursuant to this subchapter to the Department of Health and concurrently submit its recommendations in writing to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare.

Sec. E.313 PLAN; PUBLIC INEBRIATE AND SOBER BED PROGRAMS

(a)(1) On or before July 15, 2024, the Department of Health shall initiate the first of as many as five stakeholder meetings for the purpose of identifying and discussing improvements to public inebriate and sober bed programs. Data from the report produced in accordance with 2022 Acts and Resolves No. 185, Sec. E.313 shall inform the work of this stakeholder group.

(2) Participating stakeholders shall include:

(A) the Commissioner of Public Safety, or designee;

(B) the Commissioner of Corrections, or designee;

(C) a representative, appointed by Vermont Care Partners;

(D) a representative, appointed by the Turning Point Center; and

(E) substance misuse service providers, appointed by the Commissioner of Health.

(b) As part of its fiscal year 2026 budget presentation, the Department of Health, in consultation with the stakeholder group described in subsection (a) of this section, shall submit a plan to the Senate Committees on Appropriations and on Health and Welfare and to the House Committees on Appropriations and on Human Services with recommendations to reorganize public inebriate and sober bed programs in a manner that accounts for increased client acuity and decreased bed availability throughout the State. The proposed reorganization shall include a spending plan that prioritizes staff support and public safety.

Sec. E.316 33 V.S.A. § 3531 is amended to read:

§ 3531. CHILD CARE – BUILDING BRIGHT SPACES FOR BRIGHT FUTURES FUNDS FUND

~~(a) A child care facilities~~ An early childhood services financing program is established to facilitate the development and expansion of ~~child care facilities~~ early childhood service programs in the State. ~~The Program~~ This financing program shall be administered by the Department for Children and Families.

~~(b) The Program shall be supported from a special fund, to be known as the “Building Bright Spaces for Bright Futures Fund,” referred to in this section as “the Bright Futures Fund,”~~ is hereby created for this purpose to be administered by the Commissioner for Children and Families. Subject to approvals required by 32 V.S.A. § 5, the Fund may accept gifts and donations from any source, and the Commissioner may take appropriate actions to encourage contributions and designations to the ~~account~~ Fund, including publicizing explanations of the purposes of the Fund and the uses to which the Bright Futures Fund has been or will be applied.

~~(c) Funds appropriated for this Program shall be used by the~~ The Commissioner to award grants to eligible applicants for the development and expansion of ~~child care options and community programs targeted for youths 14 through 18 years of age. These options may include recreational programs and related equipment or facilities, development or expansion of child care facilities, and community-based programs that address specific child care and youth program needs of the applicant region.~~ The Commissioner shall establish by rule, criteria, conditions, and procedures for awarding such grants and administering this Program shall disburse the proceeds of this fund in accordance with the plan developed by the Building Bright Futures Council per 33 V.S.A. § 4603(3) and all applicable administrative bulletins.

Sec. E.316.1 33 V.S.A. § 4601 is amended to read:

§ 4601. DEFINITIONS

As used in this chapter:

(1) “Early care, health, and education” means all services provided to families expecting a child and to children up to ~~the age of six~~ eight years of age, including child care, family support, early education, mental and physical health services, nutrition services, and disability services.

(2) “Regional council” means a regional entity linked to the State Building Bright Futures Council to support the creation of an integrated system of early care, health, and education at the local level.

Sec. E.317 STAKEHOLDER ENGAGEMENT; COMPREHENSIVE CHILD WELFARE INFORMATION SYSTEM

(a) In developing and implementing a comprehensive child welfare information system, the Department for Children and Families’ Division of Family Services shall solicit input from youth, foster parents, kinship care providers, Division staff, and the employees of the Office of Racial Equity’s Division of Racial Justice Statistics.

Sec. E.317.1 2024 Acts and Resolves No. 87, Sec. 101 is amended to read:

Sec. 101. ~~FOSTER CARE; SUBSIDIZED ADOPTION; EXPENDITURE~~

~~(a) The Department for Children and Families’ Family Services Division shall spend funds appropriated in 2023 Acts and Resolves No. 78, Sec. B.317 on a four percent rate increase for foster care and subsidized adoption. [Repealed.]~~

Sec. E.318 CONSENSUS ESTIMATE; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) On or before December 1, 2024, 2025, and 2026, the Department for Children and Families and the Joint Fiscal Office shall jointly determine and submit a consensus estimate for costs related to the Child Care Financial Assistance Program for the coming fiscal year to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare. This consensus estimate shall serve as a baseline for the Department for Children and Families’ Child Care Financial Assistance Program budget.

Sec. E.318.1 33 V.S.A. § 3517 is amended 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. E.318.2 33 V.S.A. § 3517 is amended 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. E.318.3 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.

* * *

Sec. E.321 GENERAL ASSISTANCE EMERGENCY HOUSING

(a) To the extent emergency housing is available and within the funds appropriated, the Commissioner for Children and Families shall ensure that General Assistance Emergency Housing is provided in fiscal year 2025 to households that attest to lack of a fixed, regular, and adequate nighttime residence and have a member who:

(1) is 65 years of age or older;

(2) has a disability that can be documented by:

(A) receipt of Supplemental Security Income or Social Security Disability Insurance; or

(B) a form developed by the Department as a means of documenting a qualifying disability or health condition that requires:

(i) the applicant's name, date of birth, and the last four digits of the applicant's Social Security number;

(ii) a description of the applicant's disability or health condition;

(iii) a description of the risk posed to the applicant's health, safety, or welfare if temporary emergency housing is not authorized pursuant to this section; and

(iv) a certification of a health care provider, as defined in 18 V.S.A. § 9481, that includes the provider's credentials, credential number, address, and phone number;

(3) is a child under 19 years of age;

(4) is pregnant;

(5) has experienced the death of a spouse, domestic partner, or minor child that caused the household to lose its housing;

(6) has experienced a natural disaster, such as a flood, fire, or hurricane;

(7) is under a court-ordered eviction or constructive eviction due to circumstances over which the household has no control; or

(8) is experiencing domestic violence, dating violence, sexual assault, stalking, human trafficking, hate violence, or other dangerous or life-threatening conditions that relate to violence against the individual or a household member that caused the household to lose its housing.

(b)(1) The maximum number of days that a household receives emergency housing in a hotel or motel under this section, per 12-month period, shall not exceed 80 days.

(2) Emergency housing provided pursuant to this section shall replace the catastrophic and noncatastrophic categories adopted by the Department in rule.

(3)(A) Notwithstanding any rule or law to the contrary, the Department shall require all households applying for or receiving General Assistance Emergency Housing to engage in their own search for and accept any available alternative housing placements. All applicants and eligible households shall regularly provide information to the Department, not less frequently than monthly, about their efforts to secure an alternative housing placement. If the Department determines that a household, at the time of application or during the term of the household's authorization, has not made efforts to secure an alternative housing placement, or has access to an alternative housing placement, the Department shall deny the application or terminate the authorization at the end of the current authorization period.

(B) As used in this subdivision (3), "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 home beds; and recovery homes.

(c) To the extent funding and capacity exists, and notwithstanding subsection (a) of this section, the Department shall provide emergency winter housing to households lacking a fixed, regular, adequate, nighttime residence between December 1, 2024 and March 31, 2025. Emergency housing provided between November 15, 2024 through November 30, 2024 and between April 1, 2025 through April 15, 2025 shall be contingent on adverse weather conditions. If there is inadequate community-based shelter space available within the Agency of Human Services district in which the household presents itself, the household shall be provided emergency housing in a hotel or motel within the district, if available, until adequate community-based shelter space becomes available in the district. Emergency housing in a hotel or motel provided pursuant to this subsection shall not count toward the maximum days of eligibility per 12-month period provided in subdivision (b)(1) of this section.

(d)(1) Emergency housing required pursuant to this section may be provided through approved community-based shelters, new unit generation, open units, licensed hotels or motels, or other appropriate shelter space. The Department shall, when available, prioritize emergency housing at housing or shelter placements other than hotels or motels.

(2) The utilization of hotel and motel rooms pursuant to this section shall be capped at 1,300 rooms per night during the emergency winter housing period and adverse weather condition nights. Otherwise, beginning on September 15, 2024, the utilization of hotel and motel rooms shall be capped at 1,000 rooms per night.

(e) Case management services provided by case managers employed by or under contract with the Agency of Human Services or reimbursed through an Agency-funded grant shall include assisting clients with finding appropriate housing.

(f) The Commissioner for Children and Families shall adopt emergency rules pursuant to 3 V.S.A. § 844 for the administration of this section, which shall be deemed to have met the emergency rulemaking standard in 3 V.S.A. § 844(a), while permanent rules are pending.

(g) On or before the last day of each month from July 2024 through June 2025, the Department for Children and Families, or other relevant agency or department, shall continue submitting a similar report to that due pursuant to 2023 Acts and Resolves No. 81, Sec. 6(b) to the Joint Fiscal Committee, House Committee on Human Services, and Senate Committee on Health and Welfare.

(h) For temporary emergency housing provided in a hotel or motel beginning on July 1, 2024 and thereafter, the Department for Children and Families shall not pay a hotel or motel establishment more than the hotel's lowest advertised room rate and not more than \$80 a day per room to shelter a household experiencing homelessness. The Department for Children and Families may shelter a household in more than one hotel or motel room depending on the household's size and composition.

(i) The Department for Children and Families shall apply the following rules to participating hotels and motels:

(1) Section 2650.1 of the Department for Children and Families' General Assistance (CVR 13-170-260);

(2) Department of Health, Licensed Lodging Establishment Rule (CVR 13-140-023); and

(3) Department of Public Safety, Vermont Fire and Building Safety Code (CVR 28-070-001).

(j)(1) The Department for Children and Families may work with either a shelter provider or a community housing agency to enter into a full or partial facility lease or sales agreement with a hotel or motel provider. Any facility conversion under this section shall comply with the Office of Economic Opportunity's shelter standards.

(2) If the Department for Children and Families determines that a contractual agreement with a licensed hotel or motel operator to secure temporary emergency housing capacity is beneficial to improve the quality, cleanliness, or access to services for those households temporarily housed in the facility, the Department shall be authorized to enter into such an agreement in accordance with the per-room rate identified in subsection (h) of this section; provided, however, that in no event shall such an agreement cause a household to become unhoused. The Department for Children and Families may include provisions to address access to services or related needs within the contractual agreement.

(k) Of the amount appropriated to implement this section, not more than \$500,000 shall be used for security costs.

(l) As used in this section:

(1) "Community-based shelter" means a shelter that meets the Vermont Housing Opportunity Grant Program's Standards of Provision of Assistance.

(2) "Household" means an individual and any dependents for whom the individual is legally responsible and who live in Vermont. "Household"

includes individuals who reside together as one economic unit, including those who are married, parties to a civil union, or unmarried.

Sec. E.321.1 GENERAL ASSISTANCE EMERGENCY HOUSING TASK FORCE

(a) Creation. There is created the General Assistance Emergency Housing Task Force to provide recommendations to the General Assembly regarding the statewide and local operation and administration of the General Assistance Emergency Housing benefit.

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

(1) two representatives with lived experience of homelessness, one representative appointed by the Speaker and one representative appointed by the President Pro Tempore;

(2) a representative, appointed by the Housing and Homelessness Alliance of Vermont;

(3) a representative, appointed by the Vermont Housing and Conservation Board;

(4) a representative, appointed by Vermont Care Partners;

(5) a representative, appointed by the Long-Term Care Crisis Coalition;

(6) a representative, appointed by Vermont 2-1-1;

(7) a representative, appointed by the Vermont League of Cities and Towns;

(8) a representative, appointed by the Vermont Center for Independent Living;

(9) the Commissioner of the Department for Children and Families or designee;

(10) the Deputy Commissioner of the Department for Children and Families' Division of Economic Services; and

(11) the Commissioner of the Department of Housing and Community Development or designee.

(c) Powers and duties. The Task Force shall examine and provide recommendations on the following:

(1) household eligibility; maximum days of eligibility; application, notice, and appeals processes; participant requirements; and annual reporting requirements;

(2) the process to establish a single, statewide, unified coordinated entry system with participation from the Department;

(3) the current organization of roles and responsibilities within the Department for Children and Families' Office of Economic Opportunity and the Division of Economic Services;

(4) the number and types of emergency shelter spaces needed and currently available for each geographic region in the State, with a preference for noncongregate shelter spaces;

(5) the identification of a consistent lead agency for each geographic region;

(6) the identification of role and responsibility assigned to the lead agency;

(7) potential adjustments to emergency housing policy during cold weather months;

(8) a process to enable participating households to place a percentage of the household's gross income into savings, which shall be returned to the household for permanent housing expenses when the household exits the General Assistance Emergency Housing;

(9) a mechanism for addressing potential conduct challenges posed by a member of a participating household served in a motel, hotel, or shelter;

(10) the identification of 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;

(11) a mechanism to ensure that eligible households are sheltered until transitional or permanent housing is available; and

(12) strategies to reduce reliance on hotels and motels for emergency housing.

(d) Assistance. The Task Force shall have the administrative, technical, and legal assistance of the Department for Children and Families.

(e) Report. On or before January 15, 2025, the Task Force shall submit a written report to the House Committee on Human Services and the Senate

Committee on Health and Welfare with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Commissioner for Children and Families or designee shall call the first meeting of the Task Force to occur on or before August 1, 2024.

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

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

(4) The Task Force shall cease once the report required pursuant to subsection (e) of this section has been submitted to the General Assembly.

(g) Compensation and reimbursement. Members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings. These payments shall be made from monies appropriated to the Department for Children and Families.

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 crisis fuel grants pursuant to 33 V.S.A. § 2609(b).

Sec. E.324.1 33 V.S.A. § 2609 is amended to read:

§ 2609. CRISIS RESERVES; ELIGIBILITY AND ASSISTANCE

* * *

(b) Crisis fuel grants shall may be limited per winter heating season to one grant for households that are income-eligible and have received a seasonal fuel assistance grant and meet all eligibility requirements for crisis fuel assistance or to two grants for households that are not income-eligible for seasonal fuel assistance and meet all eligibility requirements for crisis fuel assistance.

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, \$25,847,402 shall be used by the Department for Children and Families' Office of Economic Opportunity to issue grants to community agencies assisting 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. Grant decisions and the administration of funds shall be done in consultation with the U.S. Department of Housing and Urban Development recognized Continuum of Care Program.

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.326.1 33 V.S.A. § 2502 is amended to read:

§ 2502. HOME WEATHERIZATION ASSISTANCE PROGRAM

* * *

(a) In addition, the Director shall supplement or supplant any federal program with the State Home Weatherization Assistance Program.

(1) The State ~~program~~ Program shall provide an enhanced weatherization assistance amount exceeding the federal per-unit limit allowing amounts up to an average of ~~\$8,500.00~~ \$15,300.00 per unit allocated on a cost-effective basis. The allowable average ~~per unit may be adjusted to account for the lower cost~~ per unit of multifamily buildings will be \$4,500.00. In units where costs exceed the allowable average by more than 25 percent, prior approval of the Director of the State Economic Opportunity Office shall be required before work commences. This amount shall be adjusted annually to account for inflation of materials and labor.

* * *

(b) ~~The Secretary of Human Services~~ Director shall ~~by rule establish~~ require landlords that are not income eligible to enter into a rent stabilization agreements and provisions to recapture amounts expended for weatherization of a rental unit that exceed the amount of agreement that takes into account the energy cost reductions projected to be obtained by eligible tenants of the unit. The time periods established for rent stabilization and recapture shall be set taking into account the size of benefits received by tenants and landlords as well as the effect on Program participation. Funds recaptured under this section shall be deposited into the Home Weatherization Assistance Fund established under section 2501 of this title.

* * *

Sec. E.329 33 V.S.A. § 1602 is amended to read:

§ 1602. VERMONT DEAF, HARD OF HEARING, AND DEAFBLIND
ADVISORY COUNCIL

* * *

(b) Membership. The Advisory Council shall consist of the following members:

* * *

(9) a superintendent, selected by the Vermont Superintendents Association; ~~and~~

(10) a special education administrator, selected by the Vermont Council of Special Education Administrators; and

(11) a representative of the Vermont chapter of Hands and Voices.

* * *

Sec. E.338 CORRECTIONS; CORRECTIONAL SERVICES

(a) Notwithstanding 32 V.S.A. § 3709(a), the special fund appropriation of \$152,000 in Sec. B.338 of this act 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 CORRECTIONS; DOMESTIC VIOLENCE
ACCOUNTABILITY PROGRAMS

(a) \$850,000 of the General Fund appropriation made in Sec. B.338.1 of this act shall be for an annual grant to the Vermont Network Against Domestic and Sexual Violence for Domestic Violence Accountability Programs.

Sec. E.339 OUT OF STATE BED SAVINGS; PRETRIAL SUPERVISION
PROGRAM

(a) To the extent that the need for the General Fund dollars appropriated to the Department of Corrections for out-of-state beds in Sec. B.339 of this act is reduced, it is the intent of the General Assembly that these funds be reappropriated to the Department of Corrections for the Pretrial Supervision Program.

Sec. E.345 18 V.S.A. § 9374(h) is amended to read:

~~(h)(1) The Board may assess and collect from each regulated entity the actual costs incurred by the Board, including staff time and contracts for professional services, in carrying out its regulatory duties for health insurance rate review under 8 V.S.A. § 4062; hospital budget review under chapter 221,~~

~~subchapter 7 of this title; and accountable care organization certification and budget review under section 9382 of this title. The Board may also assess and collect from general hospitals licensed under chapter 43 of this title expenses incurred by the Commissioner of Health in administering hospital community reports under section 9405b of this title.~~

~~(2)(A) In addition to the assessment and collection of actual costs pursuant to subdivision (1) of this subsection and except Except as otherwise provided in subdivisions (2)(C) and (3) (1)(C) and (2) of this subsection, all other the expenses of the Board shall be borne as follows:~~

~~(i) 40.0 percent by the State from State monies;~~

~~(ii) 30 28.8 percent by the hospitals;~~

~~(iii) 24 23.2 percent by nonprofit hospital and medical service corporations licensed under 8 V.S.A. chapter 123 or 125, health insurance companies licensed under 8 V.S.A. chapter 101, and health maintenance organizations licensed under 8 V.S.A. chapter 139; and~~

~~(iv) six 8.0 percent by accountable care organizations certified under section 9382 of this title.~~

~~(B) Expenses under subdivision (A)(iii) of this subdivision (2)(1) shall be allocated to persons licensed under Title 8 based on premiums paid for health care coverage, which for the purposes of this subdivision (2)(1) shall include major medical, comprehensive medical, hospital or surgical coverage, and comprehensive health care services plans, but shall not include long-term care, limited benefits, disability, credit or stop loss, or excess loss insurance coverage.~~

~~(C) Expenses incurred by the Board for regulatory duties associated with certificates of need shall be assessed pursuant to the provisions of section 9441 of this title and not shall not be assessed in accordance with the formula set forth in subdivision (A) of this subdivision (2)(1).~~

~~(3)(2) The Board may determine the scope of the incurred expenses to be allocated pursuant to the formula set forth in subdivision (2)(1) of this subsection if, in the Board's discretion, the expenses to be allocated are in the best interests of the regulated entities and of the State.~~

~~(4)(3) If the amount of the proportional assessment to any entity calculated in accordance with the formula set forth in subdivision (2)(A)(1)(A) of this subsection would be less than \$150.00, the Board shall assess the entity a minimum fee of \$150.00. The Board shall apply the amounts collected based on the difference between each applicable entity's proportional assessment amount and \$150.00 to reduce the total amount assessed to the~~

regulated entities pursuant to subdivisions ~~(2)(A)(ii)-(iv)~~ (1)(A)(ii)-(iv) of this subsection.

~~(5)(4)(A)~~ (4)(A) Annually on or before September 15, the Board shall report to the House and Senate Committees on Appropriations the total amount of all expenses eligible for allocation pursuant to this subsection (h) during the preceding State fiscal year and the total amount actually billed back to the regulated entities during the same period. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

~~(B)~~ (B) The Board ~~and the Department~~ shall also present the information required by this subsection (h) to the Joint Fiscal Committee annually at its September meeting.

Sec. E.345.1 18 V.S.A. § 9405b is amended to read:

§ 9405b. HOSPITAL COMMUNITY REPORTS AND AMBULATORY
SURGICAL CENTER QUALITY REPORTS

* * *

(e) The Green Mountain Care Board may assess and collect from general hospitals licensed under chapter 43 of this title expenses incurred by the Commissioner of Health in administering hospital community reports and ambulatory surgical center quality reports under this section.

Sec. E.345.2 GREEN MOUNTAIN CARE BOARD; REFERENCE-BASED
PRICING; DATA ANALYSIS; REPORT

(a) The funds appropriated to the Green Mountain Care Board in Sec. B.1100(s)(1) of this act shall be for a contract with a qualified entity for a reference-based pricing analysis that will analyze commercial medical claims for all inpatient and outpatient hospital services and supplies incurred by active and retired members and their dependents enrolled in the State Employees' Health Benefit Plan and in the health benefit plans offered by the Vermont Education Health Initiative during calendar years 2018 to the most recent year for which data are available, to determine what savings, if any, could have been realized for that period if a reference-based pricing methodology benchmarked to Medicare rates had been applied.

(b) On or before December 15, 2024, the Green Mountain Care Board shall report to the House Committees on Health Care and on Government Operations and Military Affairs and the Senate Committees on Health and Welfare and on Government Operations with the results of the analysis and any recommendations for legislative action.

Sec. E.500 EDUCATION; FINANCE AND ADMINISTRATION

(a) The Global Commitment funds appropriated in Sec. B.500 of this act will be used for physician claims for determining medical necessity of individualized education programs. These services are intended to increase access to quality health care for uninsured persons, underinsured persons, and Medicaid beneficiaries.

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 \$4,329,959 shall be used by the Agency of Education in fiscal year 2025 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

(b) Of the appropriation authorized in Sec. B.502 of this act, and notwithstanding any other provision of law, an amount not to exceed \$500,000 shall be used by the Agency of Education in fiscal year 2025 as funding for 16 V.S.A. § 2975. In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.503 EDUCATION; STATE-PLACED STUDENTS

(a) The Independence Place Program of ANEW Place shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

Sec. E.504 ADULT EDUCATION AND LITERACY

(a) Of the appropriation in Sec. B.504 of this act, \$3,778,133 General Fund shall be granted to adult education and literacy providers, pursuant to the program established in 16 V.S.A. § 945.

Sec. E.504.1 EDUCATION; FLEXIBLE PATHWAYS

(a) Notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, of the appropriation in Sec. B.504.1 of this act, \$2,518,755 Education Fund dollars shall be allocated to the Agency of Education for distribution to adult education and literacy providers pursuant to the program established in 16 V.S.A. § 945.

(b) Notwithstanding 16 V.S.A. § 4025, of this Education Fund appropriation, the amount of:

(1) \$921,500 is designated for dual enrollment programs, notwithstanding 16 V.S.A. § 944(f)(2);

(2) \$2,000,000 is designated to support the Vermont Virtual High School;

(3) \$400,000 is designated for secondary school reform grants; and

(4) \$4,600,000 is designated for Early College pursuant to 16 V.S.A. § 946.

(c) Of the appropriation in Sec. B.504.1 of this act, \$921,500 from the General Fund is designated for dual enrollment programs.

Sec. E.507.1 ENGLISH LANGUAGE LEARNERS; CATEGORICAL AID

(a) The funds appropriated in Sec. B.507.1 of this act shall be used to provide categorical aid to school districts for English Learner services, pursuant to 16 V.S.A. § 4013.

Sec. E.514 STATE TEACHERS' RETIREMENT SYSTEM

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the Vermont State Teachers' Retirement System shall be \$201,182,703, of which \$191,382,703 shall be the State's contribution and \$9,800,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$37,842,027 is the "normal contribution," and \$163,340,676 is the "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 \$3,572,780 appropriated in Sec. B.514.1 of this act, \$2,516,037 constitutes the Vermont State Teachers' Retirement System operating budget, and \$1,056,743 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont State Teachers' Retirement System.

Sec. E.515 RETIRED TEACHERS' HEALTH CARE AND MEDICAL BENEFITS

(a) In accordance with 16 V.S.A. § 1944b(b)(2) and (h)(1), the annual contribution to the Retired Teachers' Health and Medical Benefits plan shall be \$70,482,644, of which \$62,107,644 shall be the State's contribution and \$8,375,000 shall be from the annual charge for teacher health care contributed by employers pursuant to 16 V.S.A. § 1944d. Of the annual contribution, \$21,648,946 is the "normal contribution," and \$48,833,698 is the "accrued liability contribution."

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, \$380,362 shall be transferred to the Experimental Program to Stimulate Competitive Research 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.602.1 2021 Acts and Resolves No. 74, Sec. E.602.2, as amended by 2022 Acts and Resolves No. 83, Sec. 67 and 2022 Acts and Resolves No. 185, Sec. C.101, is further amended to read:

Sec. E.602.2 VERMONT STATE COLLEGES

(a) The Vermont State College (VSC) system shall transform itself into a fully integrated system that achieves financial stability in a responsible and sustainable way in order to meet each of these strategic priorities:

* * *

(b) VSC shall meet the following requirements during the transformation of its system required under subsection (a) of this section and shall accommodate the oversight of the General Assembly in so doing.

(1) VSC shall reduce its structural deficit by \$5,000,000.00 per year for three years and by \$3,500,000 per year for the following two years through a combination of annual operating expense reductions and increased enrollment revenues, for a total of \$25,000,000.00 by the end of fiscal year 2026. These reductions shall be structural in nature and shall not be met by use of one-time funds. The VSC Board of Trustees, through the Chancellor or designee, shall report the results of these structural reductions to the House and Senate Committees on Education and on Appropriations annually during the Chancellor's budget presentation.

* * *

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 funds appropriated to the Vermont Student Assistance Corporation in Sec. B.605 of this act:

(1) \$25,000 shall be deposited into the Trust Fund established in 16 V.S.A. § 2845;

(2) not more than \$300,000 may be used by the Vermont Student Assistance Corporation for a student aspirational initiative to serve one or more high schools; and

(3) not less than \$1,000,000 shall be used to continue the Vermont Trades Scholarship Program established in 2022 Act and Resolves No. 183, Sec. 14.

(b) Of the funds appropriated to the Vermont Student Assistance Corporation in Sec. B.605 of this act that are remaining after accounting for the expenditures set forth in subsection (a) of this section, not less than 93 percent shall be used for direct student aid.

(c) After accounting for the expenditures set forth in subsection (a) of this section, up to seven percent of the funds appropriated to the Vermont Student Assistance Corporation in Sec. B.605 of this act or otherwise currently or previously appropriated to the Vermont Student Assistance Corporation or provided to the Vermont Student Assistance Corporation by an agency or department of the State for the administration of a program or initiative may be used by the Vermont Student Assistance Corporation for its costs of administration. The Vermont Student Assistance Corporation may recoup its reasonable costs of collecting the forgivable loans in repayment. Funds shall not be used for indirect costs. To the extent that any of these funds are federal funds, allocation for expenses associated with administering the funds shall be consistent with federal grant requirements.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND
EARLY COLLEGE STUDENTS

(a) Notwithstanding 16 V.S.A. § 4025, the sum of \$41,225 Education Fund and \$41,225 General Fund is appropriated to the Vermont Student Assistance Corporation for dual enrollment and need-based stipend purposes to fund a flat-rate, need-based stipend or voucher program for financially disadvantaged 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, 2025, the Vermont Student Assistance Corporation shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs.

Sec. E.704 DEPARTMENT OF FORESTS, PARKS AND RECREATION;
WATER QUALITY ASSISTANCE PROGRAM EXPANSION;
PILOT

(a) Using the funds appropriated in Sec. B.1100(1)(1) of this act, the Department of Forests, Parks and Recreation shall as a pilot expand the Water Quality Assistance Program established by 10 V.S.A. § 2622a to enable the Program to provide financial assistance to logging contractors to ensure implementation of proactive and preventative water quality protection and climate adaptation practices on harvest sites. The Program shall provide financial assistance to logging contractors for the following:

(1) implementation of accepted management practices and other best practices defined by the Department on harvest sites to enhance water quality protection and climate adaptation measures before forest operations take place;

(2) purchase by logging contractors of materials or practices that can be used for forest access road construction, landing preparation, bridge construction or installation, culvert protection or installation, and sediment control in advance of harvest implementation in order to comply with the accepted management practices and other potentially applicable water quality requirements; and

(3) financial assistance or cost share for a logging contractor to be Master Logger Certified by third-party entities, such as the Northeast Master Logger Certification Program of the Trust to Conserve Northeast Forestlands.

(b) The Department of Forests, Parks and Recreation may establish criteria for eligibility under the Water Quality Assistance Program, including priority of assistance and application requirements.

(c) The Water Quality Assistance Program shall operate as a pilot program in fiscal year 2025.

(d) On or before July 15, 2025, the Commissioner of Forests, Parks and Recreation shall report to the House Committee on Agriculture, Food Resiliency, and Forestry and the Senate Committee on Natural Resources and Energy the results of the pilot Water Quality Assistance Program.

Sec. E.802 10 V.S.A. § 699 is amended to read:

§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

* * *

(e) Program requirements applicable to grants. For a grant awarded 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 or composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household ~~exiting homelessness~~ under subdivision (A) of this subdivision (e)(2) is not available to lease the unit, then the landlord shall lease the unit:

* * *

Sec. E.910 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 early childhood services. Applicants shall apply on forms prescribed by the Commissioner of Motor Vehicles and shall pay an initial fee of \$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 \$29.00. The Commissioner of Motor Vehicles shall adopt rules under 3 V.S.A. chapter 25 to implement the provisions of this subsection.

(b) Fees collected under subsection (a) of this section shall be ~~allocated~~ deposited as follows:

(1) 29 percent ~~to~~ in the Transportation Fund.

(2) 71 percent ~~to the Department for Children and Families for deposit~~ in the Building Bright Futures Fund created in 33 V.S.A. § 3531.

(c) Renewal fees collected under subsection (a) of this section shall be ~~allocated~~ deposited as follows:

(1) 79 percent ~~to the Department for Children and Families for deposit~~ in the Building Bright Futures Fund created in 33 V.S.A. § 3531.

(2) 21 percent ~~to~~ in the Transportation Fund.

(d) The Department of Motor Vehicles shall be charged by the Department of Corrections for the production of the Building Bright Futures ~~Fund~~ license plates.

Sec. E.915 TRANSPORTATION; TOWN HIGHWAY AID PROGRAM

(a) The total appropriation in Sec. B.915 of this act is authorized, notwithstanding the provisions of 19 V.S.A. § 306(a).

* * * Securities Fees * * *

Sec. F.1 8 V.S.A. § 4800(2)(A)(iii) is amended to read:

(iii) Except as provided in subdivisions (I) and (II) of this subdivision, initial and annual producer appointment fees for each qualification set forth in section 4813g of subchapter 1A of this chapter for resident and nonresident producers acting as agents of foreign insurers, ~~\$60.00~~ \$80.00:

* * *

Sec. F.2 9 V.S.A. § 5302(e) is amended to read:

(e) At the time of the filing of the information prescribed in subsection (a), (b), (c), or (d) of this section, except investment companies subject to 15 U.S.C. § 80a-1 et seq., the issuer shall pay to the Commissioner a fee of ~~\$600.00~~ \$820.00. The fee is nonrefundable.

Sec. F.3 9 V.S.A. § 5302(f) is amended to read:

(f) Investment companies subject to 15 U.S.C. § 80a-1 et seq. shall pay to the Commissioner an initial notice filing fee of ~~\$2,000.00~~ \$2,275.00 and an annual renewal fee of ~~\$1,650.00~~ \$2,025.00 for each portfolio or class of investment company securities for which a notice filing is submitted.

Sec. F.4 9 V.S.A. § 5410(b) is amended to read:

(b) The fee for an individual is ~~\$120.00~~ \$145.00 when filing an application for registration as an agent, ~~\$120.00~~ \$145.00 when filing a renewal of registration as an agent, and ~~\$120.00~~ \$145.00 when filing for a change of registration as an agent. The fee is nonrefundable.

* * * Effective Dates * * *

Sec. G.100 EFFECTIVE DATES

(a) This section and Secs. B.1102, C.100, C.101, C.103, C.104, C.105, C.106, C.107, C.111, C.112, C.113, C.114, C.115, C.116, C.117, C.118, C.119, C.120, E.125.1, E.126.2, and E.127.1 shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214:

(1) Sec. C.102 shall take effect retroactively on March 1, 2024;

(2) Secs. C.108, C.109, and C.110 shall take effect retroactively on July 1, 2023; and

(3) Sec. E.910 shall take effect retroactively on January 1, 2024.

(c) Sec. E.318.2 shall take effect on July 1, 2025.

(d) Sec. F.1 shall take effect on January 1, 2025.

(e) All remaining sections shall take effect on July 1, 2024.

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.

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

Proposal of Amendment; Third Reading Ordered

H. 766.

Senator Lyons, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to prior authorization and step therapy requirements, health insurance claims, and provider contracts.

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

By striking out Sec. 1, 8 V.S.A. § 4089i, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 8 V.S.A. § 4089i is amended to read:

§ 4089i. PRESCRIPTION DRUG COVERAGE

* * *

(e)(1) A health insurance or other health benefit plan offered by a health insurer or by a pharmacy benefit manager on behalf of a health insurer that provides coverage for prescription drugs and uses step-therapy protocols shall:

(A) not require failure, including discontinuation due to lack of efficacy or effectiveness, diminished effect, or an adverse event, on the same medication on more than one occasion for ~~continuously enrolled members or subscribers~~ insureds who are continuously enrolled in a plan offered by the insurer or its pharmacy benefit manager; and

(B) grant an exception to its step-therapy protocols upon request of an insured or the insured's treating health care professional under the same time parameters as set forth for prior authorization requests in 18 V.S.A. § 9418b(g)(4) if any one or more of the following conditions apply:

(i) the prescription drug required under the step-therapy protocol is contraindicated or will likely cause an adverse reaction or physical or mental harm to the insured;

(ii) the prescription drug required under the step-therapy protocol is expected to be ineffective based on the insured's known clinical history, condition, and prescription drug regimen;

(iii) the insured has already tried the prescription drugs on the protocol, or other prescription drugs in the same pharmacologic class or with the same mechanism of action, which have been discontinued due to lack of efficacy or effectiveness, diminished effect, or an adverse event, regardless of

whether the insured was covered at the time on a plan offered by the current insurer or its pharmacy benefit manager;

(iv) the insured is stable on a prescription drug selected by the insured's treating health care professional for the medical condition under consideration; or

(v) the step-therapy protocol or a prescription drug required under the protocol is not in the patient's best interests because it will:

(I) pose a barrier to adherence;

(II) likely worsen a comorbid condition; or

(III) likely decrease the insured's ability to achieve or maintain reasonable functional ability.

(2) Nothing in this subsection shall be construed to prohibit the use of tiered co-payments for members or subscribers not subject to a step-therapy protocol.

(3) Notwithstanding any provision of subdivision (1) of this subsection to the contrary, a health insurance or other health benefit plan offered by an insurer or by a pharmacy benefit manager on behalf of a health insurer that provides coverage for prescription drugs shall not utilize a step-therapy, "fail first," or other protocol that requires documented trials of a medication, including a trial documented through a "MedWatch" (FDA Form 3500), before approving a prescription for the treatment of substance use disorder.

* * *

(i) A health insurance or other health benefit plan offered by a health insurer or by a pharmacy benefit manager on behalf of a health insurer shall cover, for beneficiaries under 18 years of age and without requiring prior authorization, at least one readily available asthma controller medication from each class of medication and mode of administration that is clinically, developmentally, and age appropriate for each age of beneficiary under 18 years of age. As used in this subsection, "readily available" means that the medication is not listed on a national drug shortage list, including lists maintained by the U.S. Food and Drug Administration and by the American Society of Health-System Pharmacists.

(j) As used in this section:

* * *

~~(j)~~(k) The Department of Financial Regulation shall enforce this section and may adopt rules as necessary to carry out the purposes of this section.

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 pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Health and Welfare?, Senators Lyons, Gulick, Hardy, Weeks and Williams moved that the Senate proposal of amendment be amended by adding a second instance of amendment, by amending the bill in Sec. 9, effective dates, in subsection (b), by striking out "Sec. 3" both times it appears and inserting in lieu thereof "Sec. 4".

Which was agreed to.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as recommended by Committee on Health and Welfare, as amended?, Senators Cummings and Brock moved to amend the recommendation of proposal of amendment, as amended, by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 8 V.S.A. § 4089i(e) is amended to read:

(e)(1) A health insurance or other health benefit plan offered by a health insurer or by a pharmacy benefit manager on behalf of a health insurer that provides coverage for prescription drugs and uses step-therapy protocols shall:

(A) not require failure, including discontinuation due to lack of efficacy or effectiveness, diminished effect, or an adverse event, on the same medication on more than one occasion for continuously enrolled members or subscribers insureds who are continuously enrolled in a plan offered by the insurer or its pharmacy benefit manager; and

(B) grant an exception to its step-therapy protocols upon request of an insured or the insured's treating health care professional under the same time parameters as set forth for prior authorization requests in 18 V.S.A. § 9418b(g)(4) if any one or more of the following conditions apply:

(i) the prescription drug required under the step-therapy protocol is contraindicated or will likely cause an adverse reaction or physical or mental harm to the insured;

(ii) the prescription drug required under the step-therapy protocol is expected to be ineffective based on the insured's known clinical history, condition, and prescription drug regimen;

(iii) the insured has already tried the prescription drugs on the protocol, or other prescription drugs in the same pharmacologic class or with the same mechanism of action, which have been discontinued due to lack of efficacy or effectiveness, diminished effect, or an adverse event, regardless of

whether the insured was covered at the time on a plan offered by the current insurer or its pharmacy benefit manager;

(iv) the insured is stable on a prescription drug selected by the insured's treating health care professional for the medical condition under consideration; or

(v) the step-therapy protocol or a prescription drug required under the protocol is not in the patient's best interests because it will:

(I) pose a barrier to adherence;

(II) likely worsen a comorbid condition; or

(III) likely decrease the insured's ability to achieve or maintain reasonable functional ability.

(2) Nothing in this subsection shall be construed to prohibit the use of tiered co-payments for members or subscribers not subject to a step-therapy protocol.

(3) Notwithstanding any provision of subdivision (1) of this subsection to the contrary, a health insurance or other health benefit plan offered by an insurer or by a pharmacy benefit manager on behalf of a health insurer that provides coverage for prescription drugs shall not utilize a step-therapy, "fail first," or other protocol that requires documented trials of a medication, including a trial documented through a "MedWatch" (FDA Form 3500), before approving a prescription for the treatment of substance use disorder.

Sec. 2. 18 V.S.A. § 9418a is amended to read:

§ 9418a. PROCESSING CLAIMS, DOWNCODING, AND ADHERENCE
TO CODING RULES

(a) Health plans, contracting entities, covered entities, and payers shall accept and initiate the processing of all health care claims submitted by a health care provider pursuant to and consistent with the current version of the American Medical Association's Current Procedural Terminology (CPT) codes, reporting guidelines, and conventions; the Centers for Medicare and Medicaid Services Healthcare Common Procedure Coding System (HCPCS); American Society of Anesthesiologists; the National Correct Coding Initiative (NCCI); the National Council for Prescription Drug Programs coding; or other appropriate nationally recognized standards, guidelines, or conventions approved by the Commissioner.

(b)(1) ~~When~~ Except as provided in subsection (c) of this section, when editing claims, health plans, contracting entities, covered entities, and payers

shall ~~adhere to~~ require not more than the following edit standards, processes, and guidelines except as provided in subsection (e) of this section:

~~(1)(A)~~ the CPT, HCPCS, and for claims for outpatient and professional services, the NCCI as in effect for Medicare;

~~(2)(B)~~ national specialty society edit standards for facility claims, the Medicare Code Editor as in effect for Medicare; or

~~(3)(C)~~ for pharmacy claims, appropriate nationally recognized edit standards, guidelines, or conventions; and

(D) for any other claim not addressed by subdivision (A), (B), or (C) of this subdivision (1), other appropriate nationally recognized edit standards, guidelines, or conventions approved by the Commissioner.

(2) For outpatient services, professional services, and facility claims, a health plan, contracting entity, covered entity, or payer shall apply the relevant edit standards, processes, and guidelines from NCCI or Medicare Code Editor pursuant to subdivisions (1)(A) and (B) of this subsection that were in effect for Medicare on the date of the claim submission; provided, however, that if Medicare has changed an applicable edit standard, process, or guideline within 90 days prior to the date of the claim submission, the health plan, contracting entity, covered entity, or payer may use the version of the edit standard, process, or guideline that Medicare had applied prior to the most recent change if the health plan, contracting entity, covered entity, or payer has not yet released an updated version of its edits in accordance with subsection (d) of this section.

(c) Adherence to the edit standards in ~~subdivision (b)(1) or (2)~~ subsection (b) of this section is not required:

(1) when necessary to comply with State or federal laws, rules, regulations, or coverage mandates; or

(2) for edits that the payer determines are more favorable to providers than the edit standards in ~~subdivisions (b)(1) through (3)~~ subsection (b) of this section or to address new codes not yet incorporated by a payer's edit management software, provided the edit standards are:

(A) developed with input from the relevant Vermont provider community and national provider organizations;

(B) clearly supported by nationally recognized standards, guidelines, or conventions approved by the Commissioner of Financial Regulation; and

(C) provided the edits are available to providers on the plan's websites and in ~~their~~ its newsletters or equivalent electronic communications.

(d) Health plans, contracting entities, covered entities, and payers shall not release edits more than quarterly, to take effect on January 1, April 1, July 1, or October 1, as applicable, and the edits shall not be implemented without filing with the Commissioner of Financial Regulation to ensure consistency with nationally recognized standards guidelines, and conventions, and at least 30 days' advance notice to providers. Whenever Medicare changes an edit standard, process, or guideline that it applies to outpatient service, professional service, or facility claims, each health plan, contracting entity, covered entity, or payer shall incorporate those modifications into its next quarterly release of edits.

(e)(1) Except as otherwise provided in subdivision (2) of this subsection, no health plan, contracting entity, covered entity, or payer shall subject any health care provider to prepayment coding validation edit review. As used in this subsection, "prepayment coding validation edit review" means any action by the health plan, contracting entity, covered entity, or payer, or by a contractor, assignee, agent, or other entity acting on its behalf, requiring a health care provider to provide medical record documentation in conjunction with or after submission of a claim for payment for health care services delivered, but before the claim has been adjudicated.

(2) Nothing in this subsection shall be construed to prohibit targeted prepayment coding validation edit review of a specific provider, provider group, or facility under certain circumstances, including evaluating high-dollar claims; verifying complex financial arrangements; investigating member questions; conducting post-audit monitoring; addressing a reasonable belief of fraud, waste, or abuse; or other circumstances determined by the Commissioner through a bulletin or guidance.

(f) Nothing in this section shall preclude a health plan, contracting entity, covered entity, or payer from determining that any such claim is not eligible for payment in full or in part, based on a determination that:

* * *

(e)(g) Nothing in this section shall be deemed to require a health plan, contracting entity, covered entity, or payer to pay or reimburse a claim, in full or in part, or to dictate the amount of a claim to be paid by a health plan, contracting entity, covered entity, or payer to a health care provider.

(f)(h) No health plan, contracting entity, covered entity, or payer shall automatically reassign or reduce the code level of evaluation and management codes billed for covered services (downcoding), except that a health plan, contracting entity, covered entity, or payer may reassign a new patient visit

code to an established patient visit code based solely on CPT codes, CPT guidelines, and CPT conventions.

~~(g)~~(i) Notwithstanding the provisions of subsection ~~(d)~~(f) of this section, and other than the edits contained in the conventions in subsections (a) and (b) of this section, health plans, contracting entities, covered entities, and payers shall continue to have the right to deny, pend, or adjust claims for services on other bases and shall have the right to reassign or reduce the code level for selected claims for services based on a review of the clinical information provided at the time the service was rendered for the particular claim or a review of the information derived from a health plan's fraud or abuse billing detection programs that create a reasonable belief of fraudulent or abusive billing practices, provided that the decision to reassign or reduce is based primarily on a review of clinical information.

~~(h)~~(j) Every If adding an edit pursuant to subsection (b) or subdivision (c)(1) or (2) of this section, a health plan, contracting entity, covered entity, and or payer shall publish on its provider website and in its provider newsletter if applicable or equivalent electronic provider communications:

(1) the name of any commercially available claims editing software product that the health plan, contracting entity, covered entity, or payer utilizes;

(2) the specific standard or standards, ~~pursuant to subsection (b) of this section,~~ that the entity uses for claim edits and how those claim edits are supported by those specific standards;

(3) the payment percentages for modifiers; and

(4) ~~any significant~~ the specific edit or edits, as determined by the health plan, ~~contracting entity, covered entity, or payer,~~ added to the claims software product after the effective date of this section, ~~which are made at the request of the health plan, contracting entity, covered entity, or payer.~~

~~(i)~~(k) Upon written request, the health plan, contracting entity, covered entity, or payer shall also directly provide the information in subsection ~~(h)~~(j) of this section to a health care provider who is a participating member in the health plan's, contracting entity's, covered entity's, or payer's provider network.

~~(j)~~(l) For purposes of this section, "health plan" includes a workers' compensation policy of a casualty insurer licensed to do business in Vermont.

~~(k)~~(m) ~~BlueCross BlueShield of Vermont and the Vermont Medical Society are requested to continue convening a work group consisting of~~ There is established a working group comprising the health plans, contracting entities,

covered entities, and payers subject to the reporting requirement in subsection 9414a(b) of this title; representatives of hospitals and health care providers; representatives of the Department of Financial Regulation and of other relevant State agencies; and other interested parties to study the edit standards in subsection (b) of this section, the edit standards in national class action settlements, and edit standards and edit transparency standards established by other states to determine the most appropriate way to ensure that health care providers can access information about the edit standards applicable to the health care services they provide trends in coding and billing that health plans, contracting entities, covered entities, or payers, or a combination of them, seek to address through claim editing. The work working group is requested to shall provide an annual a progress report to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance upon request.

~~(l)(n)~~ (n) With respect to the ~~work~~ working group established under subsection ~~(k)(m)~~ (m) of this section and to the extent required to avoid violations of federal antitrust laws, the Department shall facilitate and supervise the participation of members of the ~~work~~ working group.

Sec. 3. 18 V.S.A. § 9418b(c) and (d) are amended to read:

~~(c) A health plan shall furnish, upon request from a health care provider, a current list of services and supplies requiring prior authorization.~~

(1) It is the intent of the General Assembly to reduce variability in prior authorization requirements by aligning to the greatest extent possible with the prior authorization requirements in Vermont's Medicaid program.

(2) A health plan shall not impose any prior authorization requirement for any admission, item, service, treatment, or procedure that is more restrictive than the prior authorization requirements that the Department of Vermont Health Access would apply for the same admission, item, service, treatment, or procedure under Vermont's Medicaid program.

(3) Each health plan shall review the prior authorization requirements in effect in Vermont's Medicaid program at least once every six months to ensure that the health plan is maintaining the prior authorization alignment required by subdivision (2) of this subsection.

(4) Nothing in this subsection shall be construed to:

(A) require prior authorization alignment with Vermont Medicaid for prescription drugs;

(B) prohibit prior authorization requirements for any admission, item, service, treatment, or procedure that is not covered by Vermont Medicaid;

(C) prohibit prior authorization requirements for an admission, item, service, treatment, or procedure that is provided out-of-network; or

(D) require a health plan to maintain the same provider network as Vermont Medicaid.

(d)(1) A health plan shall furnish, upon request from a health care provider, a current list of services and supplies requiring prior authorization.

(2) A health plan shall post make a current list of services and supplies requiring prior authorization available to the public on the insurer's website.

Sec. 4. 18 V.S.A. § 9418b(g)(4) is amended to read:

~~(4) A health plan shall respond to a completed prior authorization request from a prescribing health care provider within 48 hours after receipt for urgent requests and within two business days after receipt for nonurgent requests. The health plan shall notify a health care provider of or make available to a health care provider a receipt of the request for prior authorization and any needed missing information within 24 hours after receipt.~~

(A)(i) A health plan shall approve, deny, or inform the insured or health care provider if any information is missing from a prior authorization request from an insured or a prescribing health care provider within 24 hours following receipt for all prior authorization requests and for all appeals of denial of prior authorization requests.

(ii) If a health plan informs an insured or a health care provider that more information is necessary for the health plan to make a determination on the request, the health plan shall have 24 hours to approve or deny the request upon receipt of the necessary information.

~~(B) If a health plan does not, within the time limits set forth in this section subdivision (A) of this subdivision (4), respond to a completed prior authorization request, acknowledge receipt of the request for prior authorization, or request missing information, the prior authorization request shall be deemed to have been granted.~~

(C) Prior authorization approval for a prescribed or ordered treatment, service, or course of medication shall be valid for the duration of the prescribed or ordered treatment, service, or course of medication or one year, whichever is longer.

(D) For an insured who is stable on a treatment, service, or course of medication, as determined by a health care provider, that was approved for coverage under a previous health plan, a health plan shall not restrict coverage of that treatment, service, or course of medication for at least 90 days upon the insured's enrollment in the new health plan.

Sec. 5. 18 V.S.A. § 9418c is amended to read:

§ 9418c. FAIR CONTRACT STANDARDS

(a) Required information.

(1) Each contracting entity shall provide and each health care contract shall obligate the contracting entity to provide participating health care providers information sufficient for the participating provider to determine the compensation or payment terms for health care services, including all of the following:

(A) The manner of payment, such as fee-for-service, capitation, case rate, or risk.

(B) On request, the fee-for-service dollar amount allowable for each CPT code for those CPT codes that a provider in the same specialty typically uses or that the requesting provider actually bills. Fee schedule information may be provided ~~by CD-ROM or~~ electronically, at the election of the contracting entity, but a provider may elect to receive a hard copy of the fee schedule information instead of the ~~CD-ROM or~~ electronic version.

(C) A clearly understandable, readily available mechanism, such as a specific website address, that includes the following information:

(i) the name of the commercially available claims editing software product that the health plan, contracting entity, covered entity, or payer uses;

(ii) the specific standard or standards from subsection 9418a(c) of this title that the entity uses for claim edits and how those claim edits are supported by those specific standards;

(iii) payment percentages for modifiers; and

(iv) any significant edits, as determined by the health plan, contracting entity, covered entity, or payer, added to the claims software product, which are made at the request of the health plan, contracting entity, covered entity, or payer, and which have been approved by the Commissioner pursuant to subsection 9418a(b) or (c) of this title.

(D) Any policies for prepayment or postpayment audits, or both, including whether the policies include limits on the number of medical records a contracting entity may request for audit in any calendar year.

* * *

(5)(A) If a contracting entity uses policies or manuals to augment the content of the contract with a health care provider, the contracting entity shall ensure that those policies or manuals contain sufficient information to allow providers to understand and comply with the content.

(B) For any new policy or manual, or any change to an existing policy or manual, the contracting entity shall do all of the following:

(i) Provide notice of the new policy, manual, or change to each participating provider in writing not fewer than 60 days prior to the effective date of the policy, manual, or change, which notice shall be conspicuously entitled "Notice of Policy Change" and shall include:

(I) a summary of the new policy, manual, or change;

(II) an explanation of the policy, manual, or change;

(III) the effective date of the policy, manual, or change; and

(IV) a notice of the right to object in writing to the policy, manual, or change, along with a timeframe for objection and where and how to send the objection.

(ii) Provide the participating provider 60 days after receiving the notice and summary to object in writing to the new policy, manual, or change. If the participating provider objects to the new policy, manual, or change, the contracting entity shall provide an initial substantive response to the objection within 30 days following the contracting entity's receipt of the written objection, and the contracting entity shall work together with the provider to achieve a reasonable resolution to the objection within 60 days following the provider's receipt of contracting entity's initial substantive response. If the provider is not satisfied with the proposed resolution, the provider may pursue any remedy available to the provider under the health care contract or under applicable law.

* * *

Sec. 6. DEPARTMENT OF FINANCIAL REGULATION; ACTUARIAL ANALYSIS; REPORT

(a) The Department of Financial Regulation shall arrange for an actuarial analysis of the anticipated costs and potential benefits of aligning health insurance plans' claim edit requirements with those in Medicare, as set forth in Sec. 2 of this act, and of aligning health insurance plans' prior authorization requirements with those in Vermont Medicaid, as set forth in Sec. 3 of this act.

(b) On or before December 1, 2024, the Department of Financial Regulation shall provide the results of the actuarial analysis to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance.

Sec. 7. PRIOR AUTHORIZATION; INSURER IMPACT REPORTS

On or before January 15, 2027, each health insurer with at least 2,000 covered lives in Vermont shall report to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance regarding the impact of the prior authorization provisions of this act on the following during plan years 2025 and 2026:

(1) utilization of health care services covered by the insurer's plans;

(2) development of the insurer's premium rates for future plan years;
and

(3) the insurer's estimated avoided costs, including:

(A) the specific methodologies that the insurer uses to determine the amount of "savings" from avoided costs;

(B) the costs of the alternative tests, procedures, medications, and other items or services ordered for insureds as a result of the insurer's denials of requests for prior authorizations; and

(C) the costs of emergency department visits and inpatient stays, including stays in intensive care units, as a result of the insurer's denials of requests for prior authorizations.

Sec. 8. PRIOR AUTHORIZATION; PROVIDER IMPACT REPORTS

(a) The General Assembly requests that organizations representing Vermont's hospital-employed, federally qualified health center-employed, and independent health care providers who are affected by the prior authorization provisions of this act gather information from their members on or before January 1, 2025 and on or before July 1, 2026 regarding current circumstances and the impact of the prior authorization provisions of this act on their provider members and the members' practices. To the extent practicable, the information gathered should align with survey questions published by nationally recognized provider organizations and include information regarding the impact of prior authorization processes and requirements on care delivery, quality of care, and staffing.

(b) On or before January 15, 2027, each provider organization that gathered information from its members in accordance with subsection (a) of this section is requested to summarize and report on that information to the

House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance, including providing a summary of the impact of the prior authorization provisions of this act on the organization's members' practices.

Sec. 9. REPEAL

18 V.S.A. § 9418(m) and (n) (claims edit working group) are repealed on January 1, 2028.

Sec. 10. EFFECTIVE DATES

(a) Secs. 6 (Department of Financial Regulation; actuarial analysis; report), 7 (prior authorization; insurer impact reports), and 8 (prior authorization; provider impact reports) and this section shall take effect on passage.

(b) Sec. 4 (18 V.S.A. § 9418b(g)(4); prior authorization time frames) shall take effect on January 1, 2025, except that a health plan that must modify its technology in order to continue administering its own internal utilization review process for certain services shall have until not later than January 1,

2026 to come into compliance with the provisions of Sec. 4 as to those services.

(c) In Sec. 2 (18 V.S.A. § 9418a), subsections (b)–(d) shall take effect on January 1, 2026 and shall apply to all health plans issued on and after that date, to all health care provider contracts entered into or renewed on and after that date, and to all claims processed on and after that date.

(d) Sec. 3 (18 V.S.A. § 9418b(c) and (d)) shall take effect on January 1, 2026 and shall apply to all health plans issued on and after that date, to all health care provider contracts entered into or renewed on and after that date, and to all claims processed on and after that date.

(e) The remaining sections shall take effect on January 1, 2025 and shall apply to all health plans issued on and after that date, to all health care provider contracts entered into or renewed on and after that date, and to all claims processed on and after that date.

Which was disagreed to, on a Division, Yeas 12, Nays 16.

Thereupon, the pending question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Health and Welfare, as amended,? was agreed to.

Thereupon, the pending question, Shall the bill be read a third time?, was decided in the affirmative.

Adjournment

On motion of Senator Clarkson, the Senate adjourned until one o'clock in the afternoon on Thursday, April 25, 2024.

THURSDAY, APRIL 25, 2024

Pursuant to the Senate Rules, in the absence of the President, the Senate was called to order by the President *pro tempore*.

Devotional Exercises

Devotional exercises were conducted by the Reverend Stannard Baker of Burlington.

Message from the House No. 50

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 30. An act relating to creating a Sister State Program.

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 a bill originating in the Senate of the following title:

S. 109. An act relating to Medicaid coverage for doula services.

And has passed the same in concurrence.

The Governor has informed the House that on April 23, 2024, he approved and signed a bill originating in the House of the following title:

H. 543. An act relating to Vermont's adoption of the Social Work Licensure Compact and to emergency housing eligibility documentation.

Bill Referred to Committee on Finance**H. 622.**

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

An act relating to emergency medical services.

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 severally referred to the Committee on Appropriations:

H. 121. An act relating to enhancing consumer privacy.

H. 794. An act relating to services provided by the Vermont Veterans' Home.

Bill Referred

Pursuant to Temporary Rule 44A, the following bill having failed to meet crossover and being released by the Committee on Rules was referred to the Committee on Government Operations, its committee of jurisdiction:

H. 626. An act relating to animal welfare.

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. 27. An act relating to coercive controlling behavior and abuse prevention orders.

H. 546. An act relating to administrative and policy changes to tax laws.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 868.

House bill entitled:

An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

Was taken up.

Thereupon, pending third reading of the bill, Senators Perchlik, Chittenden, Harrison, Ingalls, Kitchel and Sears move to amend the Senate proposal of amendment by striking out Sec. 31, 5 V.S.A. § 3405, in its entirety and inserting in lieu thereof a new Sec. 31 to read as follows:

Sec. 31. 5 V.S.A. § 3405 is amended to read:

§ 3405. LEASE FOR CONTINUED OPERATION

(a) The Secretary, as agent for the State, ~~with the approval of the Governor and the General Assembly or, if the General Assembly is not in session, approval of a special committee consisting of the Joint Fiscal Committee and~~

~~the Chairs of the House and Senate Committees on Transportation,~~ is authorized to lease or otherwise arrange for the continued operation of all or any State-owned railroad property to any responsible person, provided that approval for the operation, if necessary, is granted by the federal Surface Transportation Board under 49 C.F.R. Part 1150 (certificate to construct, acquire, or operate railroad lines). The transaction shall be subject to any further terms and conditions as in the opinion of the Secretary are necessary and appropriate to accomplish the purpose of this chapter.

(b) To preserve continuity of service on State-owned railroads, the Secretary may enter into a short-term lease or operating agreement, for a term not to exceed six months, with a responsible railroad operator. ~~Within 10 days of entering into any lease or agreement, the Secretary shall report the details of the transaction to the members of the House and Senate Committees on Transportation.~~

(c) The Secretary shall notify the House and Senate Committees on Transportation or, if the General Assembly is not in session, the Joint Transportation Oversight Committee when there are 12 months remaining on the operating lease for any State-owned railroad, and when there are 12 months remaining on a lease extension for the operating lease for any State-owned railroad.

Which was agreed to.

Thereupon, Senators Perchlik, Chittenden, Ingalls, Kitchel and Watson moved to amend the Senate proposal of amendment, by striking out Sec. 30, Central Garage; real property; facility design; authority, in its entirety and inserting in lieu thereof a new Sec. 30 to read as follows:

Sec. 30. CENTRAL GARAGE; REAL PROPERTY; FACILITY DESIGN;
AUTHORITY

(a) Pursuant to 19 V.S.A. § 26(b), the Secretary of Transportation is authorized to use up to \$2,000,000.00 in Central Garage Fund reserve funds for the purpose of purchasing real property on which to site a new Central Garage.

(b) Notwithstanding 19 V.S.A. § 13(a), the Secretary may use Central Garage Fund reserve funds for design services necessary to construct a new Central Garage on the site; provided, however, that the Secretary shall collaborate with the municipality in which the new Central Garage is to be located regarding the design and construction of the facility.

Which was agreed to.

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

Third Reading Ordered

H. 350.

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

An act relating to the Uniform Directed Trust Act.

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.

Proposals of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 883.

House bill entitled:

An act relating to making appropriations for the support of government.

Was taken up.

Thereupon, pending third reading of the bill, Senator Kitchel moved to amend the Senate proposal of amendment as follows

First: By striking out Sec. B.1102, unobligated General Fund contingent appropriations, in its entirety and inserting in lieu thereof a new Sec. B.1102 to read as follows:

Sec. B.1102 UNOBLIGATED GENERAL FUND CONTINGENT
APPROPRIATIONS

(a) After satisfying the requirements of 32 V.S.A. § 308, but prior to satisfying the requirements of 32 V.S.A. § 308c, the remaining unobligated and unexpended balance of the General Fund at the close of fiscal year 2024 shall be appropriated or transferred, to the extent that funds are available, in fiscal year 2025 in the following order:

(1) \$20,000,000 to the Department for Children and Families for the General Assistance Emergency Housing program.

(2) \$3,500,000 to the Community Resilience and Disaster Mitigation Fund, which shall be used for grants to municipalities with FEMA-approved Individuals and Households Program registrations for Individual Assistance relating to a calendar year 2023 flooding event for subgrants to residential building owners of up to \$300,000 for residential structure elevation projects.

(3) \$1,000,000 to the Dam Safety Revolving Loan Fund.

(4) \$1,000,000 to the Department of Environmental Conservation for the Healthy Homes Initiative.

(5) \$2,000,000 to the Department of Housing and Community Development for the Vermont Housing Improvement Program.

(6) \$2,500,000 to the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments. It is the intent of the General Assembly that these funds be used for the State match needed for water- and wastewater-related projects under the federal Infrastructure Investment and Jobs Act. These funds shall only be expended if authorized by the General Assembly.

(7) \$1,300,000 to the Department for Children and Families for a grant to the Vermont Foodbank. It is the intent of the General Assembly that \$1,000,000 of these funds be distributed proportionally to the Vermont Foodbank's network partner food shelves.

(8) \$500,000 to the Department of Disabilities, Aging, and Independent Living for grants to skilled nursing facilities to increase the pipeline of employed licensed nursing assistants, including increasing the capacity of new and existing facility-based training programs, and developing or expanding collaborations with other programs, including career and technical education programs. Grants may support training program costs, paid internships, student support, and recruitment and retention bonuses.

(A) Of the funds appropriated in this subdivision (8), \$150,000 shall be for grants of \$30,000 or less.

(B) Of the funds appropriated in this subdivision (8), \$350,000 shall be for up to three grants.

(9) \$500,000 to the Department of Disabilities, Aging, and Independent Living for Medical Director recruitment and retention grants of not more than \$50,000 per grant at skilled nursing facilities.

(10) \$1,500,000 to the Department of Forests, Parks and Recreation for the Vermont Serve, Learn, and Earn Program.

(11) \$2,000,000 to the Department of Housing and Community Development for the Vermont Housing Improvement Program.

(12) \$2,500,000 to the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments. It is the intent of the General Assembly that these funds be used for the State match needed for water- and wastewater-related projects under the federal

Infrastructure Investment and Jobs Act. These funds shall only be expended if authorized by the General Assembly.

(13) \$1,000,000 to the Department of Public Safety's Division of Fire Safety to subsidize the cost of providing cancer screening to all Vermont professional and volunteer firefighters, as well as all enrollees in the Vermont Fire Academy Firefighter I program.

(14) \$5,000,000 to the Agency of Commerce and Community Development for the Business Emergency Gap Assistance Program.

(15) \$3,913,200 to the Human Services Caseload Reserve.

(16) \$12,500,000 to the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments. It is the intent of the General Assembly that these funds be used for the State match needed for transportation-related projects under the federal Infrastructure Investment and Jobs Act. These funds shall only be expended if authorized by the General Assembly.

(17) \$5,000,000 to the Dam Safety Revolving Loan Fund.

(18) \$10,000,000 to the Department for Children and Families' Office of Economic Opportunity to expand shelter bed and permanent supportive housing capacity in the State.

Second: In Sec. C.120, Department for Children and Families; family services; unused funds, in subdivision (a)(2), following "grants", by striking out "to Vermont's 13 recovery centers and"

Third: In Sec. D.101, fund transfers, in subdivision (b)(3), following "Sec. E.228,", by striking out "\$68,440,000" and inserting in lieu thereof \$68,035,000

Fourth: In Sec. E.100, positions, by striking out subdivision (a)(1) in its entirety and inserting in lieu thereof a new subdivision (a)(1) to read as follows:

(1) Permanent classified positions:

(A) Department of Public Safety:

(i) one Criminal History Record Specialist I; and

(ii) three Regional Emergency Management Program Coordinators.

(B) Department of Forests, Parks and Recreation:

(i) four Field Park Manager IVs.

(C) Office of the Treasurer:

(i) one Internal Auditor.

(D) Office of the Secretary of State:

(i) one Administrative Services Coordinator IV; and

(ii) one Information Technology Specialist III.

(E) Department of Environmental Conservation:

(i) ten Environmental Analysts;

(ii) two Environmental Engineers;

(iii) two Environmental Technicians; and

(iv) one Administrative Services Coordinator.

(F) Agency of Education:

(i) one CTE Education Programs Coordinator.

(G) Department of Corrections:

(i) five Probation and Parole Officers.

Fifth: By striking out Sec. E.300.4, client housing; case management services, in its entirety and inserting in lieu thereof a new Sec. E.300.4 to read as follows:

Sec. E.300.4 [Deleted.]

Sixth: In Sec. E.321, General Assistance emergency housing, by striking out subdivision (a)(3) in its entirety and inserting in lieu thereof a new subdivision (a)(3) to read as follows:

(3) is a child 19 years of age or under;

Seventh: By striking out Sec. E.602.1, amending 2021 Acts and Resolves No. 74, Sec. E.602.2, as amended, in its entirety and inserting in lieu thereof a new Sec. E.602.1 to read as follows:

Sec. E.602.1 2021 Acts and Resolves No. 74, Sec. E.602.2, as amended by 2022 Acts and Resolves No. 83, Sec. 67 and 2022 Acts and Resolves No. 185, Sec. C.101, is further amended to read:

Sec. E.602.2 VERMONT STATE COLLEGES

(a) The Vermont State College (VSC) system shall transform itself into a fully integrated system that achieves financial stability in a responsible and sustainable way in order to meet each of these strategic priorities:

* * *

(b) VSC shall meet the following requirements during the transformation of its system required under subsection (a) of this section and shall accommodate the oversight of the General Assembly in so doing.

(1) VSC shall reduce its structural deficit by \$5,000,000.00 per year for three years and by \$3,500,000.00 per year for the following two years through a combination of annual operating expense reductions and increased enrollment revenues, for a total of ~~\$25,000,000.00~~ \$22,000,000.00 by the end of fiscal year 2026. These reductions shall be structural in nature and shall not be met by use of one-time funds. The VSC Board of Trustees, through the Chancellor or designee, shall report the results of these structural reductions to the House and Senate Committees on Education and on Appropriations annually during the Chancellor's budget presentation.

* * *

Which was agreed to.

Thereupon, Senator Hardy moved that the Senate proposal of amendment be amended as follows::

First: In Sec. D.104, in subsection (a), after the words, "It is the intention that specific appropriations and statutory language" by adding along with any applicable adjustments,

Second: By adding a new section to be Sec. E.126 to read as follows:

Sec. 126. 32 V.S.A. § 1052 is amended to read:

§ 1052. MEMBERS OF THE GENERAL ASSEMBLY; COMPENSATION AND EXPENSE REIMBURSEMENT

* * *

(b) During any session of the General Assembly, each member is entitled to receive reimbursement of expenses as follows: set forth in this subsection.

(1) Mileage reimbursement. ~~Reimbursement~~ Each member shall be entitled to 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.~~ An 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 by a date established by the Office of Legislative Operations 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. 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; provided, however, that the total amount of the weekly reimbursement available pursuant to this subdivision (B) 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 by a date established by the Office of Legislative Operations 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; provided, however, that the total amount of the weekly reimbursement available pursuant to this subdivision (B) 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~~ 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~~ the member shall not be entitled to receive or be reimbursed for mileage, meals, or lodging expenses incurred during the period of that absence, except that lodging expenses associated with a lease or rental agreement may be received or reimbursed upon approval of either the Speaker of the House or the President Pro Tempore of the Senate.

* * *

Which was agreed to.

Thereupon, Senator Wrenner moved to amend the Senate proposal of amendment by striking out Sec. E.126.2, 2 V.S.A. § 703, in its entirety and inserting in lieu thereof a new Sec. E.126.2 to read as follows:

Sec. E.126.2 [Deleted.]

Which was disagreed to.

Thereupon, the bill was read the third time and passed in concurrence, with proposal of amendment, on a roll call, Yeas 26, Nays 2.

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

Roll Call

Those Senators who voted in the affirmative were: Bray, Campion, Chittenden, Clarkson, *Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams.

Those Senators who voted in the negative were: *Brock, Wrenner.

The Senator absent or not voting was: Baruth (presiding).

*Senator Brock explained his vote as follows:

“The Senate Committee on Appropriations has my deep appreciation and gratitude for the hard work that they have done. But, unfortunately, they have been unable to prevent us from spending far more than we can afford.”

*Senator Collamore explained his vote as follows:

“I voted yes today to advance the bill in the legislative process and out of deep respect for the members of the Senate Committee on Appropriation. My guess is it will now go to a conference committee and I am hopeful that the Senate conferees will hold to their position and not agree to any further spending.”

Third Reading Ordered

H. 884.

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

An act relating to the modernization of governance for the St. Albans Cemetery Association.

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. 606.

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

An act relating to professional licensure and immigration status.

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. PURPOSE

(a) The purpose of this act is to amend the laws of Vermont to allow any individual who meets the standards required by the State to obtain a professional or occupational license or certification, regardless of that individual’s immigration status.

(b) The General Assembly acts pursuant to the authority provided in section 411 of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104–193, Title IV, § 411, codified at 8 U.S.C. § 1621(d), as such section existed on January 1, 2024.

(c) Nothing in this act shall be construed to grant eligibility for any public benefits, as defined in 8 U.S.C. § 1621(c), other than obtaining a professional license.

Sec. 2. 3 V.S.A. § 139 is added to read:

§ 139. IMMIGRATION STATUS

(a) Notwithstanding any provision of law to the contrary, an applicant shall not be denied any professional license or certification enumerated in this title or Titles 16, 20, or 26 of the Vermont Statutes Annotated on the basis of the applicant's citizenship status or immigration status or lack thereof.

(b) If an applicant is required by State law to provide a Social Security number for the purpose of obtaining or maintaining a professional license or certification under this title or Titles 16, 20, or 26 of the Vermont Statutes Annotated, the applicant may provide a federal employer identification number, an individual taxpayer identification number, or a Social Security number; provided, however, that an applicant shall provide a Social Security number if a federal law or an interstate compact of which the State is a member requires that an applicant provide a Social Security number to obtain or maintain a professional license.

Sec. 3. EFFECTIVE DATE

This act shall take effect on September 1, 2024.

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

Senator McCormack, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations.

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. 706.

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

An act relating to banning the use of neonicotinoid pesticides.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Wild and managed pollinators are essential to the health and vitality of Vermont's agricultural economy, environment, and ecosystems. According to the Department of Fish and Wildlife (DFW), between 60 and 80 percent of the State's wild plants depend on pollinators to reproduce.

(2) Vermont is home to thousands of pollinators, including more than 300 native bee species. Many pollinator species are in decline or have disappeared from Vermont, including three bee species that the State lists as endangered. The Vermont Center for Ecostudies and DFW's State of Bees 2022 Report concludes that at least 55 of Vermont's native bee species need significant conservation action.

(3) Neonicotinoids are a class of neurotoxic, systemic insecticides that are extremely toxic to bees and other pollinators. Neonicotinoids are the most widely used class of insecticides in the world and include imidacloprid, clothianidin, thiamethoxam, acetamiprid, dinotefuran, thiacloprid, and nithiazine.

(4) Among other uses, neonicotinoids are commonly applied to crop seeds as a prophylactic treatment. More than 90 percent of neonicotinoids applied to treated seeds move into soil, water, and nontarget plants. According to the Agency of Agriculture, Food and Markets, at least 1197.66 tons of seeds sold in Vermont in 2022 were treated with a neonicotinoid product.

(5) Integrated pest management is a pest management technique that protects public health, the environment, and agricultural productivity by prioritizing nonchemical pest management techniques. Under integrated pest management, pesticides are a measure of last resort. According to the European Academies Science Advisory Council, neonicotinoid seed treatments are incompatible with integrated pest management.

(6) A 2020 Cornell University report that analyzed more than 1,100 peer-reviewed studies found that neonicotinoid corn and soybean seed treatments pose substantial risks to bees and other pollinators but provide no overall net income benefits to farms. DFW similarly recognizes that neonicotinoid use contributes to declining pollinator populations.

(7) A 2014 peer-reviewed study conducted by the Harvard School of Public Health and published in the journal Bulletin of Insectology concluded that sublethal exposure to neonicotinoids is likely to be the main culprit for the occurrence of colony collapse disorder in honey bees.

(8) A 2020 peer-reviewed study published in the journal Nature

Sustainability found that increased neonicotinoid use in the United States between 2008 and 2014 led to statistically significant reductions in bird biodiversity, particularly among insectivorous and grassland birds.

(9) A 2022 peer-reviewed study published in the journal Environmental Science and Technology found neonicotinoids in 95 percent of the 171 pregnant women who participated in the study. Similarly, a 2019 peer-reviewed study published in the journal Environmental Research found that 49.1 percent of the U.S. general population had recently been exposed to neonicotinoids.

(10) The European Commission and the provinces of Quebec and Ontario have implemented significant prohibitions on the use of neonicotinoids.

(11) The New York General Assembly passed legislation that prohibits the sale or use of corn, soybean, and wheat seed treated with imidacloprid, clothianidin, thiamethoxam, dinotefuran, or acetamiprid. The same legislation prohibits the nonagricultural application of imidacloprid, clothianidin, thiamethoxam, dinotefuran, or acetamiprid to outdoor ornamental plants and turf.

Sec. 2. 6 V.S.A. § 1101 is amended to read:

§ 1101. DEFINITIONS

As used in this chapter unless the context clearly requires otherwise:

(1) “Secretary” ~~shall have~~ has the same meaning stated in subdivision 911(4) of this title.

(2) “Cumulative” when used in reference to a substance means that the substance so designated has been demonstrated to increase twofold or more in concentration if ingested or absorbed by successive life forms.

(3) “Dealer or pesticide dealer” means any person who regularly sells pesticides in the course of business, but not including a casual sale.

(4) “Economic poison” ~~shall have~~ has the same meaning stated in subdivision 911(5) of this title.

(5) “Pest” means any insect, rodent, nematode, fungus, weed, or any other form of terrestrial or aquatic plant or animal life or ~~virus~~ viruses, bacteria, or other microorganisms that the Secretary declares as being injurious to health or environment. “Pest shall” does not mean any viruses, bacteria, or other microorganisms on or in living humans or other living animals.

(6) “Pesticide” for the purposes of this chapter ~~shall be~~ is used interchangeably with “economic poison.”

(7) “Treated article” means a pesticide or class of pesticides exempt under 40 C.F.R. § 152.25(a) from regulation under the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136-136y.

(8) “Neonicotinoid pesticide” means any economic poison containing a chemical belonging to the neonicotinoid class of chemicals.

(9) “Neonicotinoid treated article seeds” are treated article seeds that are treated or coated with a neonicotinoid pesticide.

(10) “Agricultural commodity” means any food in its raw or natural state, including all fruits or vegetables that are washed, colored, or otherwise treated in their unpeeled natural form prior to marketing.

(11) “Agricultural emergency” means an occurrence of any pest that presents an imminent risk of significant harm, injury, or loss to agricultural crops.

(12) “Bloom” means the period from the onset of flowering or inflorescence until petal fall is complete.

(13) “Crop group” means the groupings of agricultural commodities specified in 40 C.F.R. § 180.41(c) (2023).

(14) “Environmental emergency” means an occurrence of any pest that presents a significant risk of harm or injury to the environment, or significant harm, injury, or loss to agricultural crops, including any exotic or foreign pest that may need preventative quarantine measures to avert or prevent that risk, as determined by the Secretary of Agriculture, Food and Markets.

(15) “Ornamental plants” mean perennials, annuals, and groundcover purposefully planted for aesthetic reasons.

Sec. 3. 6 V.S.A. § 1105b is added to read:

§ 1105b. USE AND SALE OF NEONICOTINOID TREATED ARTICLE SEEDS

(a) No person shall sell, offer for sale or use, distribute, or use any neonicotinoid treated article seed for soybeans or for any crop in the cereal grains crop group (crop groups 15, 15-22, 16, and 16-22).

(b) The Secretary of Agriculture, Food and Markets, after consultation with the Secretary of Natural Resources, may issue a written exemption order to suspend the provisions of subsection (a) of this section, only if the following conditions are met:

(1) the person seeking the exemption order shall complete an integrated pest management training, provided by the Secretary or an approved third

party;

(2) the person seeking the exemption order shall complete a pest risk assessment and submit a pest risk assessment report to the Secretary;

(3) any seeds authorized for use under the exemption order shall be planted only on the property or properties identified in the pest risk assessment report; and

(4) the persons seeking the exemption order shall maintain current records of the pest risk assessment report and records of when treated seeds are planted, both of which shall be subject to review upon request by the Secretary.

(c) A written exemption order issued under subsection (b) of this section shall:

(1) not be valid for more than one year; and

(2) specify the types of neonicotinoid treated article seeds to which the exemption order applies, the date on which the exemption order takes effect, and the exemption order's duration.

(d) A written exemption order issued under subsection (b) of this section may:

(1) establish restrictions related to the use of neonicotinoid treated article seeds to which the exemption order applies to minimize harm to pollinator populations, bird populations, ecosystem health, and public health; and

(2) establish other restrictions related to the use of neonicotinoid treated article seeds to which the exemption order applies that the Secretary of Agriculture, Food and Markets considers necessary.

(e) Upon issuing a written exemption order under subsection (b) of this section, the Secretary of Agriculture, Food and Markets shall submit a copy of the exemption order to the Senate Committees on Natural Resources and Energy and on Agriculture; the House Committees on Environment and Energy and on Agriculture, Food Resiliency, and Forestry; and the Agricultural Innovation Board. The General Assembly shall post the written exemption order to the website of the General Assembly.

(f) The Secretary of Agriculture, Food and Markets, after consultation with the Secretary of Natural Resources, may rescind a written exemption order issued under subsection (b) of this section at any time. Such rescission shall come into effect not sooner than 30 days after its issuance and shall not apply to neonicotinoid treated article seeds planted or sown before such rescission comes into effect.

Sec. 4. 6 V.S.A. § 1105c is added to read:

§ 1105c. NEONICOTINOID PESTICIDES; PROHIBITED USES

(a) The following uses of neonicotinoid pesticides are prohibited:

(1) the outdoor application of neonicotinoid pesticides to any crop during bloom;

(2) the outdoor application of neonicotinoid pesticides to soybeans or any crop in the cereal grains crop group (crop groups 15, 15-22, 16, and 16-22);

(3) the outdoor application of neonicotinoid pesticides to crops in the leafy vegetables; brassica; bulb vegetables; herbs and spices; and stalk, stem, and leaf petiole vegetables crop groups (crop groups 3, 3-07, 4, 4-16, 5, 5-16, 19, 22, 25, and 26) harvested after bloom; and

(4) the application of neonicotinoid pesticides to ornamental plants.

(b) The Secretary of Agriculture, Food and Markets, after consultation with the Secretary of Natural Resources, may issue a written exemption order to suspend the provisions of subsection (a) of this section if the Secretary determines that:

(1) a valid environmental emergency or agricultural emergency exists;

(2) the pesticide would be effective in addressing the environmental emergency or the agricultural emergency; and

(3) no other, less harmful pesticide or pest management practice would be effective in addressing the environmental emergency or the agricultural emergency.

(c) A written exemption order issued under subsection (b) of this section shall:

(1) not be valid for more than one year;

(2) specify the neonicotinoid pesticides, uses, and crops, or plants to which the exemption order applies; the date on which the exemption order takes effect; the exemption order's duration; and the exemption order's geographic scope, which may include specific farms, fields, or properties; and

(3) provide a detailed evaluation determining that an agricultural emergency or an environmental emergency exists.

(d) A written exemption order issued under subsection (b) of this section may:

(1) establish restrictions related to the use of neonicotinoid pesticides to which the exemption order applies to minimize harm to pollinator populations, bird populations, ecosystem health, and public health; or

(2) establish other restrictions related to the use of neonicotinoid pesticides to which the exemption order applies that the Secretary of Agriculture, Food and Markets considers necessary.

(e) Upon issuing a written exemption order under subsection (b) of this section, the Secretary of Agriculture, Food and Markets shall submit a copy of the exemption order to the Senate Committees on Natural Resources and Energy and on Agriculture; the House Committees on Environment and Energy and on Agriculture, Food Resiliency, and Forestry; and the Agricultural Innovation Board. The General Assembly shall post the written exemption order to the website of the General Assembly.

(f) The Secretary of Agriculture, Food and Markets, after consultation with the Secretary of Natural Resources, may rescind any written exemption order issued under subsection (b) of this section at any time. Such rescission shall come into effect not sooner than 15 days after its issuance.

Sec. 5. 6 V.S.A. § 918 is amended to read:

§ 918. REGISTRATION

(a) Every economic poison that is distributed, sold, or offered for sale within this State or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State shall be registered in the Office of the Secretary, and such registration shall be renewed annually, provided that products that have the same formula are manufactured by the same person, the labeling of which contains the same claims, and the labels of which bear a designation identifying the product as the same economic poison may be registered as a single economic poison, and additional names and labels shall be added by supplemental statements during the current period of registration. It is further provided that any economic poison imported into this State, which is subject to the provisions of any federal act providing for the registration of economic poisons and that has been duly registered under the provisions of this chapter, may, in the discretion of the Secretary, be exempted from registration under this chapter when sold or distributed in the unbroken immediate container in which it was originally shipped. The registrant shall file with the Secretary a statement including:

* * *

(f) The Unless the use or sale of a neonicotinoid pesticide is otherwise prohibited, the Secretary shall register as a restricted use pesticide any neonicotinoid pesticide labeled as approved for outdoor use that is distributed,

sold, sold into, or offered for sale within the State or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, provided that the Secretary shall not register the following products as restricted use pesticides unless classified under federal law as restricted use products:

- (1) pet care products used for preventing, destroying, repelling, or mitigating fleas, mites, ticks, heartworms, or other insects or organisms;
- (2) personal care products used for preventing, destroying, repelling, or mitigating lice or bedbugs; and
- (3) indoor pest control products used for preventing, destroying, repelling, or mitigating insects indoors; ~~and~~
- ~~(4) treated article seed.~~

Sec. 6. 6 V.S.A. § 1105a(c) is amended to read:

(c)(1) Under subsection (a) of this section, the Secretary of Agriculture, Food and Markets, after consultation with the Agricultural Innovation Board, shall adopt by rule BMPs for the use in the State of:

(A) neonicotinoid treated article seeds when used prior to January 1, 2031;

(B) neonicotinoid treated article seeds when the Secretary issues a written exemption order pursuant to section 1105b of this chapter authorizing the use of neonicotinoid treated article seeds;

(C) neonicotinoid pesticides when the Secretary issues a written exemption order pursuant to section 1105c of this chapter authorizing the use of neonicotinoid pesticides; and

(D) the agricultural use after July 1, 2025 of neonicotinoid pesticides the use of which is not otherwise prohibited under law.

(2) In developing the rules with the Agricultural Innovation Board, the Secretary shall address:

(A) establishment of threshold levels of pest pressure required prior to use of neonicotinoid treated article seeds or neonicotinoid pesticides;

(B) availability of nontreated article seeds that are not neonicotinoid treated article seeds;

(C) economic impact from crop loss as compared to crop yield when neonicotinoid treated article seeds or neonicotinoid pesticides are used;

(D) relative toxicities of different neonicotinoid treated article seeds or neonicotinoid pesticides and the effects of neonicotinoid treated article seeds or neonicotinoid pesticides on human health and the environment;

(E) surveillance and monitoring techniques for in-field pest pressure;

(F) ways to reduce pest harborage from conservation tillage practices; and

(G) criteria for a system of approval of neonicotinoid treated article seeds or neonicotinoid pesticides.

~~(2)~~(3) In implementing the rules required under this subsection, the Secretary of Agriculture, Food and Markets shall work with farmers, seed companies, and other relevant parties to ensure that farmers have access to appropriate varieties and amounts of untreated seed or treated seed that are not neonicotinoid treated article seeds.

Sec. 7. 2022 Acts and Resolves No. 145, Sec. 4 is amended to read:

Sec. 4. IMPLEMENTATION; REPORT; RULEMAKING

(a) On or before March 1, 2024, the Secretary of Agriculture, Food, and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture, Food Resiliency, and Forestry a copy of the proposed rules required to be adopted under 6 V.S.A. § 1105a(c)(1)(A).

(b) The Secretary of Agriculture shall not file the final proposal of the rules required by 6 V.S.A. § 1105a(c)(1)(A) under 3 V.S.A. § 841 until at least 90 days from submission of the proposed rules to the General Assembly under subsection (a) of this section or July 1, 2024, ~~which ever~~ whichever shall occur first.

Sec. 8. CONTINGENT REPEAL

(a) 6 V.S.A. §1105b (use and sale of neonicotinoid treated article seeds; prohibition) shall be repealed if the prohibition on the use of neonicotinoid treated article seed in New York under N.Y. Environmental Conservation Law § 37-1101(1) is repealed.

(b) 6 V.S.A. § 1105c (neonicotinoid pesticides; prohibited uses) shall be repealed if the prohibition on the use of neonicotinoid pesticides on ornamental plants in New York under N.Y. Environmental Conservation Law § 37-1101(2) is repealed.

Sec. 9. EFFECTIVE DATES

(a) This section and Secs. 1 (findings), 2 (definitions), 5 (registration), 6 (BMP rules), 7 (implementation), and 8 (contingent repeal) shall take effect on passage.

(b) Sec. 4 (prohibited use; neonicotinoid pesticides) shall take effect on July 1, 2025, provided that the prohibition on the use of neonicotinoid pesticides on ornamental plants in New York under N.Y. Environmental Conservation Law § 37-1101(2) is in effect on July 1, 2025. If N.Y. Environmental Conservation Law § 37-1101(2) is not in effect on July 1, 2025, Sec. 4 of this act shall not take effect until the effective date of N.Y. Environmental Conservation Law § 37-1101(2).

(c) Sec. 3 (treated article seed) shall take effect on January 1, 2031, provided that the prohibition on the use of neonicotinoid treated article seed in New York under N.Y. Environmental Conservation Law § 37-1101(1) is in effect on January 1, 2031. If N.Y. Environmental Conservation Law § 37-1101(1) is not in effect on January 1, 2031, Sec. 3 of this act shall not take effect until the effective date of N.Y. Environmental Conservation Law § 37-1101(1).

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

Senator Westman, 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 Agriculture.

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; Bill Messaged

On motion of Senator Kitchel, the rules were suspended, and the following bill was ordered messaged to the House forthwith:

H. 883.

Message from the House No. 51

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 887. An act relating to homestead property tax yields, nonhomestead rates, and policy changes to education finance and taxation.

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. 209. An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers.

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 joint resolution originating in the Senate of the following title:

J.R.S. 54. Joint resolution relating to weekend adjournment on April 26, 2024.

And has adopted the same in concurrence.

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

H. 40. An act relating to nonconsensual removal of or tampering with a condom.

H. 861. An act relating to reimbursement parity for health care services delivered in person, by telemedicine, and by audio-only telephone and extending time for flood abatement reimbursement.

And has severally concurred therein.

Adjournment

On motion of Senator Clarkson, the Senate adjourned until eleven o'clock and thirty minutes in the morning.

FRIDAY, APRIL 26, 2024

Pursuant to the Senate Rules, in the absence of the President, the Senate was called to order by the President *pro tempore*.

Devotional Exercises

Devotional exercises were conducted by the Reverend Co'Relous C. Bryant of Lincoln.

Message from the House No. 52

A message was received from the House of Representatives by Ms. Courtney Reckord, 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 entitled:

H. 883. An act relating to making appropriations for the support of government.

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

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

Rep. Lanpher of Vergennes
Rep. Scheu of Middlebury
Rep. Wood of Waterbury.

Message from the House No. 53

A message was received from the House of Representatives by Ms. Courtney Reckord, 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. 881. An act relating to approval of an amendment to the charter of the City of Burlington.

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

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

S. 191. An act relating to New American educational grant opportunities.

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

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

H. 563. An act relating to criminal motor vehicle offenses involving unlawful trespass, theft, or unauthorized operation

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

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

H. 659. An act relating to captive insurance.

And has concurred therein.

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

H.C.R. 231. House concurrent resolution celebrating the 50th anniversary of the National Conference of State Legislatures.

H.C.R. 232. House concurrent resolution congratulating the Woodford SnoBusters snowmobile club on its 40th anniversary.

H.C.R. 233. House concurrent resolution in memory of former Representative Charles Marshall Goodwin IV of Weston.

H.C.R. 234. House concurrent resolution in memory of Phyllis Gigante of Brattleboro.

H.C.R. 235. House concurrent resolution in memory of former Winhall Town Treasurer Kathryn Louise Coleman.

H.C.R. 236. House concurrent resolution congratulating Kevin J. Goodhue on his nearly half century of remarkable public service and future-oriented leadership at the Bennington Rural Fire Department.

H.C.R. 237. House concurrent resolution congratulating the youngsters who represented Vermont and earned an individual championship at the 2024 Elks National Hoop Shoot's New England regional tournament.

H.C.R. 238. House concurrent resolution recognizing the month of May 2024 as Asian/ Pacific American Heritage Month in Vermont.

H.C.R. 239. House concurrent resolution congratulating the 2024 Vermont finalists for the Presidential Awards for Excellence in Mathematics and Science Teaching.

H.C.R. 240. House concurrent resolution congratulating Aziza Malik on being named the Vermont 2024 Teacher of the Year.

H.C.R. 241. House concurrent resolution congratulating the drama students and theater department of U-32 High School on earning a berth at the 2024 New England Theatre Festival.

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

The Governor has informed the House that on April 25, 2024, he approved and signed bills originating in the House of the following titles:

H. 363. An act relating to prohibiting discrimination based on certain hair types and styles.

H. 603. An act relating to the poultry slaughter exception to inspection.

H. 621. An act relating to health insurance coverage for diagnostic breast imaging.

H. 741. An act relating to health insurance coverage for colorectal cancer screening.

Rules Suspended; Bill Committed

H. 289.

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

An act relating to the Renewable Energy Standard.

Was taken up for immediate consideration.

Thereupon, pending the report of the Committee on Natural Resources and Energy, Senator Cummings moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Appropriations with the reports of the Committees on Natural Resources and Energy and on Finance *intact*.

Which was agreed to.

**Rules Suspended; Immediate Consideration; Third Reading Ordered;
Rules Suspended; Senate Resolution Adopted**

S.R. 18.

Appearing on the Calendar for notice, on motion of Senator Brock, the rules were suspended and Senate resolution entitled:

Senate resolution affirming the importance of the friendship and strong bilateral relationships between the United States and the Republic of China (Taiwan) and between the State of Vermont and the Republic of China (Taiwan) and supporting Taiwan's greater participation in more multinational organizations.

Was taken up for immediate consideration.

Senator Clarkson, for the Committee on Economic Development, Housing and General Affairs, to which the resolution was referred, reported that the resolution ought to be adopted.

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

Thereupon, on motion of Senator Brock, the rules were suspended and the resolution was placed on all remaining stages of its adoption.

Thereupon, the resolution was read the third time and adopted.

Committee of Conference Appointed

H. 883

An act relating to making appropriations for the support of government.

Was taken up.

Pursuant to the request of the House, the President announced the appoint of

Senator Kitchel
Senator Perchlik
Senator Westman

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

Bill Referred to Committee on Finance**H. 645.**

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

An act relating to the expansion of approaches to restorative justice.

Bill Referred

Pursuant to Temporary Rule 44A the following bill having failed to meet crossover and having been granted an exception by the Committee on Rules was read the first time and referred to the Committee on Finance:

H. 887. An act relating to homestead property tax yields, nonhomestead rates, and policy changes to education finance and taxation.

House Proposal of Amendment Concurred In**S. 189.**

House proposal of amendment to Senate bill entitled:

An act relating to mental health response service guidelines and social service provider safety.

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. § 7260 is added to read:

§ 7260. MENTAL HEALTH RESPONSE SERVICE GUIDELINES

(a) The Department shall develop guidelines for use by municipalities, including use by emergency medical technicians and public safety personnel,

such as law enforcement officers as defined by 20 V.S.A. § 2351a and firefighters as defined in 20 V.S.A. § 3151, who are employed, volunteer, or are under contract with a municipality. The guidelines shall recommend best practices for de-escalation and for mental health response services, including crisis response services. The Department shall make the guidelines available to municipalities and publish the guidelines on the Department's website.

(b) In developing the guidelines required pursuant to subsection (a) of this section, the Department shall consult with the following entities:

- (1) the Department of Health;
- (2) the Department of Disabilities, Aging, and Independent Living;
- (3) the Department of Public Safety;
- (4) the Vermont Care Partners;
- (5) the Vermont Psychiatric Survivors;
- (6) the Vermont chapter of the National Alliance on Mental Illness;
- (7) the Vermont Criminal Justice Council;
- (8) the Vermont League of Cities and Towns;
- (9) Disability Rights Vermont;
- (10) the Department's State Program Standing Committees; and
- (11) any other stakeholders the Department deems appropriate.

Sec. 2. PRESENTATION; SOCIAL SERVICE PROVIDER SAFETY

(a) On or before November 15, 2024, the Agency of Human Services, in collaboration with the Vermont chapter of the National Association of Social Workers, shall convene one or more meetings related to social service provider safety with community-based social service organizations.

(1) The following community-based social service organizations, professions, and individuals may be included in the meeting or meetings described in this subsection:

- (A) the Vermont Network Against Domestic and Sexual Violence;
- (B) the Vermont Coalition to End Homelessness;
- (C) mental health and health care providers;
- (D) community action programs;
- (E) restorative justice service providers;
- (F) disability service providers and advocates;

(G) individuals with lived experience of a mental health condition, substance use disorder, or any other condition or circumstance requiring social work services; and

(H) any other stakeholder deemed appropriate by the Agency.

(2) In advance of the meeting or meetings described in this subsection, the participating community-based social service organizations and individuals from a participating profession may review relevant studies related to social service provider safety and individual social service provider safety experiences.

(b) On or before January 31, 2025, the Agency of Human Services, in collaboration with the Vermont chapter of the National Association of Social Workers, shall present findings and recommendations to the House Committees on Health Care and on Human Services and the Senate Committee on Health and Welfare, including a list of the community-based social service organizations that participated in the meeting or meetings and the number of meetings convened.

Sec. 3. 33 V.S.A. § 6309 is added to read:

§ 6309. STAFF SAFETY; DISCHARGE FROM SERVICE

(a) If an individual was previously discharged from service by a home health agency to protect the safety of staff in accordance with the rules adopted by the Department of Disabilities, Aging, and Independent Living pursuant to subsection 6303(a) of this chapter, and the behavior or conditions causing the discharge cannot be reasonably mitigated or eliminated, a home health agency may:

(1) deny a subsequent admission; or

(2) decline to send a home health agency employee to make a visit if the home health agency has reason to believe that the individual who exhibited the behavior that resulted in the discharge is present in the home.

(b) Nothing in this section shall be construed to require a home health agency to enter a home to determine if a risk can be mitigated or eliminated.

(c) A home health agency shall provide notice of any denial of admission made pursuant to this section. The notice shall include the reason for the denial of admission and information regarding how an individual may submit a complaint pursuant to section 6308 of this chapter in accordance with the rules adopted by the Department of Disabilities, Aging, and Independent Living pursuant to subsection 6303(a) of this chapter.

Sec. 4. REPORT; HOME HEALTH AGENCY SAFETY DISCHARGES

On or after February 15, 2025, in consultation with home health agencies, the Department of Disabilities, Aging, and Independent Living shall provide an update to the House Committee on Health Care and the Senate Committee on Health and Welfare regarding the implementation of Sec. 3 (33 V.S.A. § 6309) of this act. Specifically, the update shall address:

(1) the number of safety discharges made by home health agencies during the previous calendar year;

(2) the nature of the risks posed that result in a safety discharge; and

(3) the number of individuals denied subsequent admission to or services from a home health agency due to a previous safety discharge.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

“An act relating to mental health response service guidelines and the safety of social service and home health providers.”

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

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 766.

House bill entitled:

An act relating to prior authorization and step therapy requirements, health insurance claims, and provider contracts.

Was taken up.

Thereupon, pending third reading of the bill, Senators Lyons, Gulick, Hardy, Weeks and Williams moved to amend the Senate proposal of amendment in Sec. 1, 8 V.S.A. § 4089i, by striking out subsection (i) in its entirety and inserting in lieu thereof a new subsection (i) to read as follows:

(i) A health insurance or other health benefit plan offered by a health insurer or by a pharmacy benefit manager on behalf of a health insurer shall cover, without requiring prior authorization, at least one readily available asthma controller medication from each class of medication and mode of administration. As used in this subsection, “readily available” means that the medication is not listed on a national drug shortage list, including lists maintained by the U.S. Food and Drug Administration and by the American Society of Health-System Pharmacists.

Which was agreed to.

Thereupon, Senators Lyons, Gulick, Hardy, Kitchel and Williams moved that the Senate proposal of amendment be amended in Sec. 3, 18 V.S.A. § 9418b(c) and (d), by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

~~(c) A health plan shall furnish, upon request from a health care provider, a current list of services and supplies requiring prior authorization.~~

(1)(A) Except as provided in subdivision (B) of this subdivision (1), a health plan shall not impose any prior authorization requirement for any admission, item, service, treatment, or procedure ordered by a primary care provider.

(B) The prohibition set forth in subdivision (A) of this subdivision (1) shall not be construed to prohibit prior authorization requirements for prescription drugs or for an admission, item, service, treatment, or procedure that is provided out-of-network.

(2) As used in this subsection, "primary care provider" has the same meaning as is used by the Vermont Blueprint for Health.

Which was agreed to.

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

Bill Passed in Concurrence

H. 350.

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

An act relating to the Uniform Directed Trust Act.

Bill Passed in Concurrence with Proposal of Amendment

H. 606.

House bill of the following title was read the third time and passed in concurrence with proposal of amendment on a division of the Senate, Yeas 21, Nays 6.

An act relating to professional licensure and immigration status.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 706.

House bill entitled:

An act relating to banning the use of neonicotinoid pesticides.

Was taken up.

Thereupon, pending third reading of the bill, Senators Lyons, Clarkson, Gulick, Hashim, McCormack, Vyhovsky, Watson and White moved to amend the Senate proposal of amendment in Sec. 9, effective dates, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Sec. 3 (treated article seed) shall take effect on January 1, 2029, provided that the prohibition on the use of neonicotinoid treated article seed in New York under N.Y. Environmental Conservation Law § 37-1101(1) is in effect on January 1, 2029. If N.Y. Environmental Conservation Law § 37-1101(1) is not in effect on January 1, 2029, Sec. 3 of this act shall not take effect until the effective date of N.Y. Environmental Conservation Law § 37-1101(1).

Which was agreed to, on a division of the Senate, Yeas 15, Nays 12.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment, on a roll call, Yeas 25, Nays 2.

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

Roll Call

Those Senators who voted in the affirmative were: Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: Ingalls, Norris.

Those Senators absent or not voting were: Baruth (presiding), Vyhovsky.

Bill Passed in Concurrence

H. 884.

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

An act relating to the modernization of governance for the St. Albans Cemetery Association.

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 on the part of the Senate:

By All Members of the House,
By All Members of the Senate,

H.C.R. 231.

House concurrent resolution celebrating the 50th anniversary of the National Conference of State Legislatures.

By Reps. Morrissey and others,
By Senators Campion and Sears,

H.C.R. 232.

House concurrent resolution congratulating the Woodford SnoBusters snowmobile club on its 40th anniversary.

By Rep. Pajala,

H.C.R. 233.

House concurrent resolution in memory of former Representative Charles Marshall Goodwin IV of Weston.

By Reps. Kornheiser and others,

H.C.R. 234.

House concurrent resolution in memory of Phyllis Gigante of Brattleboro.

By Rep. Pajala,

H.C.R. 235.

House concurrent resolution in memory of former Winhall Town Treasurer Kathryn Louise Coleman.

By Reps. Morrissey and others,
By Senators Campion and Sears,

H.C.R. 236.

House concurrent resolution congratulating Kevin J. Goodhue on his nearly half century of remarkable public service and future-oriented leadership at the Bennington Rural Fire Department.

By Reps. Houghton and others,

H.C.R. 237.

House concurrent resolution congratulating the youngsters who represented Vermont and earned an individual championship at the 2024 Elks National Hoop Shoot's New England regional tournament.

By Reps. Roberts and others,

By Senators Collamore, Hardy, Hashim, McCormack, Perchlik, Ram Hinsdale, Vyhovsky and Wrenner,

H.C.R. 238.

House concurrent resolution recognizing the month of May 2024 as Asian/Pacific American Heritage Month in Vermont.

By Reps. McCann and others,

By Senators Clarkson, Lyons, Perchlik, Vyhovsky, Watson and Wrenner,

H.C.R. 239.

House concurrent resolution congratulating the 2024 Vermont finalists for the Presidential Awards for Excellence in Mathematics and Science Teaching.

By Reps. McCann and others,

By Senators Cummings, Ram Hinsdale, Vyhovsky, Weeks and Wrenner,

H.C.R. 240.

House concurrent resolution congratulating Aziza Malik on being named the Vermont 2024 Teacher of the Year.

By Reps. Chapin and others,

H.C.R. 241.

House concurrent resolution congratulating the drama students and theater department of U-32 High School on earning a berth at the 2024 New England Theatre Festival.

Adjournment

On motion of Senator Clarkson, the Senate adjourned, to reconvene on Tuesday, April 30, 2024, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 54.

TUESDAY, APRIL 30, 2024

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. 54

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

Mr. President:

I am directed to inform the Senate that:

The House has concurred in the adoption of a proposed amendment to the Vermont Constitution entitled:

Prop 3. Declaration of Rights; right to collectively bargain.

Bills Referred to Committee on Finance

House bills of the following titles, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule were severally referred to the Committee on Finance:

H. 867. An act relating to miscellaneous amendments to the laws governing alcoholic beverages and the Board of Liquor and Lottery.

H. 870. An act relating to professions and occupations regulated by the Office of Professional Regulation.

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 severally referred to the Committee on Appropriations:

H. 657. An act relating to the modernization of Vermont's communications taxes and fees.

H. 687. An act relating to community resilience and biodiversity protection through land use.

H. 871. An act relating to the development of an updated State aid to school construction program.

Joint Senate Resolution Adopted on the Part of the Senate**J.R.S. 55.**

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. 55. Joint resolution relating to weekend adjournment on May 3, 2024.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, May 3, 2024, it be to meet again no later than Tuesday, May 7, 2024.

Bill Referred

House bill of the following title was read the first time:

H. 881. An act relating to approval of an amendment to the charter of the City of Burlington.

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

Confirmation Refused

Confirmation of the following Gubernatorial appointment was refused by the Senate, upon a full report given by the Committee to which it was referred:

The nomination of

ZOIE SAUNDERS

of Shrewsbury, as Secretary of the Agency of Education, for a term from and including April 15, 2024, to February 28, 2025, and until her successor is appointed and has qualified.

Was rejected by the Senate on a roll call, Yeas 9, Nays 19.

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

Roll Call

Those Senators who voted in the affirmative were: Brock, Campion, Collamore, Ingalls, Norris, Sears, Starr, Weeks, Williams.

Those Senators who voted in the negative were: Baruth, Bray, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Vyhovsky, Watson, White, Wrenner.

The Senator absent and not voting was: Westman.

Message from the House No. 55

A message was received from the House of Representatives by Ms. Courtney Reckord, 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 entitled:

H. 868. An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

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

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

Rep. Coffey of Guilford
Rep. Shaw of Pittsford
Rep. Corcoran of Bennington.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, May 1, 2024.

WEDNESDAY, MAY 1, 2024

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. 56

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on April 25, 2024, he approved and signed bills originating in the House of the following titles:

H. 363. An act relating to prohibiting discrimination based on certain hair types and styles.

H. 603. An act relating to the poultry slaughter exception to inspection.

H. 621. An act relating to health insurance coverage for diagnostic breast imaging.

H. 741. An act relating to health insurance coverage for colorectal cancer screening.

The Governor has informed the House that on April 29, 2024, he approved and signed a bill originating in the House of the following title:

H. 666. An act relating to escrow deposit bonds.

Committee of Conference Appointed

H. 868

An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation

Was taken up.

Pursuant to the request of the House, the President announced the appointment of

Senator Perchlik
Senator Chittenden
Senator Ingalls

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

Bill Referred to Committee on Appropriations

H. 630.

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 boards of cooperative education services.

House Proposal of Amendment Concurred In with Amendment

S. 25.

House proposal of amendment to Senate bill entitled:

An act relating to regulating cosmetic and menstrual products containing certain chemicals and chemical classes and textiles and athletic turf fields containing perfluoroalkyl and polyfluoroalkyl substances.

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:

* * * Chemicals in Cosmetic and Menstrual Products * * *

Sec. 1. 9 V.S.A. chapter 63, subchapter 12 is added to read:

Subchapter 12. Chemicals in Cosmetic and Menstrual Products

§ 2494a. DEFINITIONS

As used in this subchapter:

(1) “Bisphenols” means any member of a class of industrial chemicals that contain two hydroxyphenyl groups. Bisphenols are used primarily in the manufacture of polycarbonate plastic and epoxy resins.

(2) “Cosmetic product” means articles or a component of articles intended to be rubbed, poured, sprinkled, or sprayed on; introduced into; or otherwise applied to the human body or any part thereof for cleansing, promoting attractiveness, or improving or altering appearance, including those intended for use by professionals. “Cosmetic product” does not mean soap, dietary supplements, or food and drugs approved by the U.S. Food and Drug Administration.

(3) “Formaldehyde-releasing agent” means a chemical that releases formaldehyde.

(4) “Intentionally added” means the addition of a chemical in a product that serves an intended function in the product component.

(5) “Manufacturer” means any person engaged in the business of making or assembling a consumer product directly or indirectly available to consumers. “Manufacturer” excludes a distributor or retailer, except when a consumer product is made or assembled outside the United States, in which case a “manufacturer” includes the importer or first domestic distributor of the consumer product.

(6) “Menstrual product” means a product used to collect menstruation and vaginal discharge, including tampons, pads, sponges, menstruation underwear, disks, applicators, and menstrual cups, whether disposable or reusable.

(7) “Ortho-phthalates” means any member of the class of organic chemicals that are esters of phthalic acid containing two carbon chains located in the ortho position.

(8) “Perfluoroalkyl and polyfluoroalkyl substances” or “PFAS” means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

(9) “Professional” means a person granted a license pursuant to

26 V.S.A. chapter 6 to practice in the field of barbering, cosmetology, manicuring, or esthetics.

§ 2494b. PROHIBITED CHEMICALS IN COSMETIC AND MENSTRUAL PRODUCTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State any cosmetic or menstrual product to which the following chemicals or chemical classes have been intentionally added in any amount:

- (1) ortho-phthalates;
- (2) PFAS;
- (3) formaldehyde (CAS 50-00-0);
- (4) methylene glycol (CAS 463-57-0);
- (5) mercury and mercury compounds (CAS 7439-97-6);
- (6) 1, 4-dioxane (CAS 123-91-1);
- (7) isopropylparaben (CAS 4191-73-5);
- (8) isobutylparaben (CAS 4247-02-3);
- (9) lead and lead compounds (CAS 7439-92-1);
- (10) asbestos;
- (11) triclosan (CAS 3380-34-5);
- (12) m-phenylenediamine and its salts (CAS 108-42-5);
- (13) o-phenylenediamine and its salts (CAS 95-54-5); and
- (14) quaternium-15 (CAS 51229-78-8).

(b) A cosmetic or menstrual product made through manufacturing processes intended to comply with this subchapter and containing a technically unavoidable trace quantity of a chemical or chemical class listed in subsection (a) of this section shall not be in violation of this subchapter on account of the trace quantity where it is caused by impurities of:

- (1) natural or synthetic ingredients;
- (2) the manufacturing process;
- (3) storage; or
- (4) migration from packaging.

(c) A manufacturer shall not knowingly manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State any cosmetic or menstrual product that contains 1,4, dioxane at or exceeding 10 parts per million.

(d)(1) Pursuant to 3 V.S.A. chapter 25, the Department of Health may adopt rules prohibiting a manufacturer from selling, offering for sale, distributing for sale, or distributing for use a cosmetic or menstrual product to which formaldehyde releasing agents have been intentionally added and are present in any amount.

(2) The Department may only prohibit a manufacturer from selling, offering for sale, distributing for sale, or distributing for use a cosmetic or menstrual product in accordance with this subsection if the Department or at least one other state has determined that a safer alternative is readily available in sufficient quantity and at comparable cost and that the safer alternative performs as well as or better than formaldehyde releasing agents in a specific application of formaldehyde releasing agents to a cosmetic or menstrual product.

(3) Any rule adopted by the Department pursuant to this subsection may restrict formaldehyde releasing agents as individual chemicals or as a class of chemicals.

Sec. 2. 9 V.S.A. § 2494b is amended to read:

§ 2494b. PROHIBITED CHEMICALS IN COSMETIC AND MENSTRUAL PRODUCTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State any cosmetic or menstrual product to which the following chemicals or chemical classes have been intentionally added in any amount:

* * *

(13) o-phenylenediamine and its salts (CAS 95-54-5); and

(14) quaternium-15 (CAS 51229-78-8);

(15) styrene (CAS 100-42-5);

(16) octamethylcyclotetrasiloxane (CAS 556-67-2); and

(17) toluene (CAS 108-88-3).

* * *

(e) A manufacturer shall not knowingly manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State any cosmetic or menstrual product that contains lead or lead compounds at or exceeding ten parts per million.

* * * PFAS in Consumer Products * * *

Sec. 3. 9 V.S.A. chapter 63, subchapter 12a is added to read:

Subchapter 12a. PFAS in Consumer Products

§ 2494e. DEFINITIONS

As used in this subchapter:

(1) “Adult mattress” means a mattress other than a crib or toddler mattress.

(2) “Aftermarket stain and water resistant treatments” means treatments for textile and leather consumer products used in residential settings that have been treated during the manufacturing process for stain, oil, and water resistance, but excludes products marketed or sold exclusively for use at industrial facilities during the manufacture of a carpet, rug, clothing, or shoe.

(3) “Apparel” means any of the following:

(A) Clothing items intended for regular wear or formal occasions, including undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, costumes, vests, dancewear, suits, saris, scarves, tops, leggings, school uniforms, leisurewear, athletic wear, sports uniforms, everyday swimwear, formal wear, onesies, bibs, reusable diapers, footwear, and everyday uniforms for workwear. Clothing items intended for regular wear or formal occasions do not include clothing items for exclusive use by the U.S. Armed Forces, outdoor apparel for severe wet conditions, and personal protective equipment.

(B) Outdoor apparel.

(4) “Artificial turf” means a surface of synthetic fibers that is used in place of natural grass in recreational, residential, or commercial applications.

(5) “Cookware” means durable houseware items used to prepare, dispense, or store food, foodstuffs, or beverages and that are intended for direct food contact, including pots, pans, skillets, grills, baking sheets, baking molds, trays, bowls, and cooking utensils.

(6) “Incontinency protection product” means a disposable, absorbent hygiene product designed to absorb bodily waste for use by individuals 12 years of age and older.

(7) “Intentionally added” means the addition of a chemical in a product that serves an intended function in the product component.

(8) “Juvenile product” means a product designed or marketed for use by infants and children under 12 years of age:

(A) including a baby or toddler foam pillow; bassinet; bedside sleeper; booster seat; changing pad; infant bouncer; infant carrier; infant seat; infant sleep positioner; infant swing; infant travel bed; infant walker; nap cot; nursing pad; nursing pillow; play mat; playpen; play yard; polyurethane foam mat, pad, or pillow; portable foam nap mat; portable infant sleeper; portable hook-in chair; soft-sided portable crib; stroller; toddler mattress; and disposable, single-use diaper; and

(B) excluding a children’s electronic product, such as a personal computer, audio and video equipment, calculator, wireless phone, game console, handheld device incorporating a video screen, or any associated peripheral such as a mouse, keyboard, power supply unit, or power cord; a medical device; or an adult mattress.

(9) “Manufacturer” means any person engaged in the business of making or assembling a consumer product directly or indirectly available to consumers. “Manufacturer” excludes a distributor or retailer, except when a consumer product is made or assembled outside the United States, in which case a “manufacturer” includes the importer or first domestic distributor of the consumer product.

(10) “Medical device” has the same meaning given to “device” in 21 U.S.C. § 321.

(11) “Outdoor apparel” means clothing items intended primarily for outdoor activities, including hiking, camping, skiing, climbing, bicycling, and fishing.

(12) “Outdoor apparel for severe wet conditions” means outdoor apparel that are extreme and extended use products designed for outdoor sports experts for applications that provide protection against extended exposure to extreme rain conditions or against extended immersion in water or wet conditions, such as from snow, in order to protect the health and safety of the user and that are not marketed for general consumer use. Examples of extreme and extended use products include outerwear for offshore fishing, offshore sailing, whitewater kayaking, and mountaineering.

(13) “Perfluoroalkyl and polyfluoroalkyl substances” or “PFAS” means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

(14) “Personal protective equipment” has the same meaning as in section 2494p of this title.

(15) “Regulated perfluoroalkyl and polyfluoroalkyl substances” or “regulated PFAS” means:

(A) PFAS that a manufacturer has intentionally added to a product and that have a functional or technical effect in the product, including PFAS components of intentionally added chemicals and PFAS that are intentional breakdown products of an added chemical that also have a functional or technical effect in the product; or

(B) the presence of PFAS in a product or product component at or above 100 parts per million, as measured in total organic fluorine.

(16) “Rug or carpet” means a fabric marketed or intended for use as a floor covering.

(17) “Ski wax” means a lubricant applied to the bottom of snow runners, including skis and snowboards, to improve their grip and glide properties.

(18) “Textile” means any item made in whole or part from a natural, manmade, or synthetic fiber, yarn, or fabric, and includes leather, cotton, silk, jute, hemp, wool, viscose, nylon, or polyester. “Textile” does not include single-use paper hygiene products, including toilet paper, paper towels, tissues, or single-use absorbent hygiene products.

(19) “Textile articles” means textile goods of a type customarily and ordinarily used in households and businesses, and includes apparel, accessories, handbags, backpacks, draperies, shower curtains, furnishings, upholstery, bedding, towels, napkins, and table cloths. “Textile articles” does not include:

(A) a vehicle, as defined in 1 U.S.C. § 4, or its component parts;

(B) a vessel, as defined in 1 U.S.C. § 3, or its component parts;

(C) an aircraft, as defined in 49 U.S.C. § 40102(a)(6), or its component parts;

(D) filtration media and filter products used in industrial applications, including chemical or pharmaceutical manufacturing and environmental control technologies;

(E) textile articles used for laboratory analysis and testing; and

(F) rugs or carpets.

§ 2494f. AFTERMARKET STAIN AND WATER-RESISTANT TREATMENTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State aftermarket stain and water-resistant

treatments for rugs or carpets to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494h. COOKWARE

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State cookware to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494i. INCONTINENCY PROTECTION PRODUCT

A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State an incontinency protection product to which PFAS have been intentionally added in any amount.

§ 2494j. JUVENILE PRODUCTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State juvenile products to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494k. RUGS AND CARPETS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a residential rug or carpet to which PFAS have been added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494l. SKI WAX

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State ski wax or related tuning products to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494m. TEXTILES

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a textile or textile article to which regulated PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494n. CERTIFICATE OF COMPLIANCE

(a) The Attorney General may request a certificate of compliance from a manufacturer of a consumer product regulated under this subchapter. Within 60 days after receipt of the Attorney General's request for a certificate of compliance, the manufacturer shall:

(1) provide the Attorney General with a certificate attesting that the manufacturer's product or products comply with the requirements of this subchapter; or

(2) notify persons who are selling a product of the manufacturer's in this State that the sale is prohibited because the product does not comply with this subchapter and submit to the Attorney General a list of the names and addresses of those persons notified.

(b) A manufacturer required to submit a certificate of compliance pursuant to this section may rely upon a certificate of compliance provided to the manufacturer by a supplier for the purpose of determining the manufacturer's reporting obligations. A certificate of compliance provided by a supplier in accordance with this subsection shall be used solely for the purpose of determining a manufacturer's compliance with this section.

* * * PFAS in Artificial Turf * * *

Sec. 4. 9 V.S.A. § 2494g is added to read:

§ 2494g. ARTIFICIAL TURF

A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State artificial turf to which:

(1) PFAS have been intentionally added in any amount; or

(2) PFAS have entered the product from the manufacturing or processing of that product, the addition of which is known or reasonably ascertainable by the manufacturer.

* * * Amendments to PFAS in Textiles * * *

Sec. 5. 9 V.S.A. § 2494e(2) is amended to read:

(2) "Apparel" means any of the following:

(A) Clothing items intended for regular wear or formal occasions, including undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, costumes, vests, dancewear, suits, saris, scarves, tops, leggings, school uniforms, leisurewear, athletic wear, sports uniforms, everyday swimwear, formal wear, onesies, bibs, reusable diapers, footwear, and everyday uniforms for workwear. Clothing items intended for regular wear or formal occasions do not include clothing items for exclusive use by the U.S. Armed Forces;

~~outdoor apparel for severe wet conditions~~, and personal protective equipment.

(B) Outdoor apparel.

(C) Outdoor apparel for severe wet conditions.

Sec. 6. 9 V.S.A. § 2494e(15) is amended to read:

(15) “Regulated perfluoroalkyl and polyfluoroalkyl substances” or “regulated PFAS” means:

(A) PFAS that a manufacturer has intentionally added to a product and that have a functional or technical effect in the product, including PFAS components of intentionally added chemicals and PFAS that are intentional breakdown products of an added chemical that also have a functional or technical effect in the product; or

(B) the presence of PFAS in a product or product component at or above ~~100~~ 50 parts per million, as measured in total organic fluorine.

* * * PFAS in Firefighting Agents and Equipment * * *

Sec. 7. 9 V.S.A. chapter 63, subchapter 12b is added to read:

Subchapter 12b. PFAS in Firefighting Agents and Equipment

§ 2494p. DEFINITIONS

As used in this subchapter:

(1) “Class B firefighting foam” means chemical foams designed for flammable liquid fires.

(2) “Intentionally added” means the addition of a chemical in a product that serves an intended function in the product component.

(3) “Manufacturer” means any person engaged in the business of making or assembling a consumer product directly or indirectly available to consumers. “Manufacturer” excludes a distributor or retailer, except when a consumer product is made or assembled outside the United States, in which case a “manufacturer” includes the importer or first domestic distributor of the consumer product.

(4) “Municipality” means any city, town, incorporated village, town fire district, or other political subdivision that provides firefighting services pursuant to general law or municipal charter.

(5) “Perfluoroalkyl and polyfluoroalkyl substances” or “PFAS” means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

(6) “Personal protective equipment” means clothing designed, intended, or marketed to be worn by firefighting personnel in the performance of their duties, designed with the intent for use in fire and rescue activities, and includes jackets, pants, shoes, gloves, helmets, and respiratory equipment.

(7) “Terminal” means an establishment primarily engaged in the wholesale distribution of crude petroleum and petroleum products, including liquefied petroleum gas from bulk liquid storage facilities.

§ 2494q. PROHIBITION OF CERTAIN CLASS B FIREFIGHTING FOAM

A person, municipality, or State agency shall not discharge or otherwise use for training or testing purposes class B firefighting foam that contains intentionally added PFAS.

§ 2494r. RESTRICTION ON MANUFACTURE, SALE, AND DISTRIBUTION; EXCEPTIONS

(a) A manufacturer of class B firefighting foam shall not manufacture, sell, offer for sale, or distribute for sale or use in this State class B firefighting foam to which PFAS have been intentionally added.

(b) A person operating a terminal who seeks to purchase class B firefighting foam containing intentionally added PFAS for the purpose of fighting emergency class B fires, may apply to the Department of Environmental Conservation for a temporary exemption from the restrictions on the manufacture, sale, offer for sale, or distribution of class B firefighting foam for use at a terminal. An exemption shall not exceed one year. The Department of Environmental Conservation, in consultation with the Department of Health, may grant an exemption under this subsection if the applicant provides:

(1) clear and convincing evidence that there is not a commercially available alternative that:

(A) does not contain intentionally added PFAS; and

(B) is capable of suppressing a large atmospheric tank fire or emergency class B fire at the terminal;

(2) information on the amount of class B firefighting foam containing intentionally added PFAS that is annually stored, used, or released at the terminal;

(3) a report on the progress being made by the applicant to transition at the terminal to class B firefighting foam that does not contain intentionally added PFAS; and

(4) an explanation of how:

(A) all releases of class B firefighting foam containing intentionally added PFAS shall be fully contained at the terminal; and

(B) existing containment measures prevent firewater, wastewater, runoff, and other wastes from being released into the environment, including into soil, groundwater, waterways, and stormwater.

(c) Nothing in this section shall prohibit a terminal from providing class B firefighting foam in the form of aid to another terminal in the event of a class B fire.

§ 2494s. SALE OF PERSONAL PROTECTIVE EQUIPMENT
CONTAINING PFAS

(a) A manufacturer or other person that sells firefighting equipment to any person, municipality, or State agency shall provide written notice to the purchaser at the time of sale, citing to this subchapter, if the personal protective equipment contains PFAS. The written notice shall include a statement that the personal protective equipment contains PFAS and the reason PFAS are added to the equipment.

(b) The manufacturer or person selling personal protective equipment and the purchaser of the personal protective equipment shall retain the notice for at least three years from the date of the transaction.

§ 2494t. NOTIFICATION; RECALL OF PROHIBITED PRODUCTS

(a) A manufacturer of class B firefighting foam containing intentionally added PFAS shall provide written notice to persons that sell the manufacturer's products in this State about the restrictions imposed by this subchapter not less than one year prior to the effective date of the restrictions.

(b) Unless a class B firefighting foam containing intentionally added PFAS is intended for use at a terminal and the person operating a terminal holds a temporary exemption pursuant to subsection 2494r(b) of this title, a manufacturer that produces, sells, or distributes a class B firefighting foam containing intentionally added PFAS shall:

(1) recall the product and reimburse the retailer or any other purchaser for the product; and

(2) issue either a press release or notice on the manufacturer's website describing the product recall and reimbursement requirement established in this subsection.

§ 2494u. CERTIFICATE OF COMPLIANCE

(a) The Attorney General may request a certificate of compliance from a manufacturer of class B firefighting foam or firefighting personal protective

equipment. Within 60 days after receipt of the Attorney General's request for a certificate of compliance, the manufacturer shall:

(1) provide the Attorney General with a certificate attesting that the manufacturer's product or products comply with the requirements of this subchapter; or

(2) notify persons who are selling a product of the manufacturer's in this State that the sale is prohibited because the product does not comply with this subchapter and submit to the Attorney General a list of the names and addresses of those persons notified.

(b) A manufacturer required to submit a certificate of compliance pursuant to this section may rely upon a certificate of compliance provided to the manufacturer by a supplier for the purpose of determining the manufacturer's reporting obligations. A certificate of compliance provided by a supplier in accordance with this subsection shall be used solely for the purpose of determining a manufacturer's compliance with this section.

* * * Chemicals of Concern in Food Packaging * * *

Sec. 8. 9 V.S.A. chapter 63, subchapter 12c is added to read:

Subchapter 12c. Chemicals of Concern in Food Packaging

§ 2494x. DEFINITIONS

As used in this subchapter:

(1) "Bisphenols" means any member of a class of industrial chemicals that contain two hydroxyphenyl groups. Bisphenols are used primarily in the manufacture of polycarbonate plastic and epoxy resins.

(2) "Department" means the Department of Health.

(3) "Food package" or "food packaging" means a package or packaging component that is intended for direct food contact.

(4) "Intentionally added" means the addition of a chemical in a product that serves an intended function in the product component.

(5) "Ortho-phthalates" means any member of the class of organic chemicals that are esters of phthalic acid containing two carbon chains located in the ortho position.

(6) "Package" means a container providing a means of marketing, protecting, or handling a product and shall include a unit package, an intermediate package, and a shipping container. "Package" also means unsealed receptacles, such as carrying cases, crates, cups, pails, rigid foil and other trays, wrappers and wrapping films, bags, and tubs.

(7) “Packaging component” means an individual assembled part of a package, such as any interior or exterior blocking, bracing, cushioning, weatherproofing, exterior strapping, coatings, closures, inks, and labels, and disposable gloves used in commercial or institutional food service.

(8) “Perfluoroalkyl and polyfluoroalkyl substances” or “PFAS” means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

§ 2494y. FOOD PACKAGING

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a food package to which PFAS have been intentionally added and are present in any amount.

(b)(1) Pursuant to 3 V.S.A. chapter 25, the Department may adopt rules prohibiting a manufacturer, supplier, or distributor from selling or offering for sale or for promotional distribution a food package or the packaging component of a food package to which bisphenols have been intentionally added and are present in any amount. The Department may exempt specific chemicals within the bisphenol class when clear and convincing evidence suggests they are not endocrine-active or otherwise toxic.

(2) The Department may only prohibit a manufacturer, supplier, or distributor from selling or offering for sale or for promotional distribution a food package or the packaging component of a food package in accordance with this subsection if the Department or at least one other state has determined that a safer alternative is readily available in sufficient quantity and at a comparable cost and that the safer alternative performs as well as or better than bisphenols in a specific application of bisphenols to a food package or the packaging component of a food package.

(3) If the Department prohibits a manufacturer, supplier, or distributor from selling or offering for sale or for promotional distribution a food package or the packaging component of a food package in accordance with this subsection, the prohibition shall not take effect until two years after the Department adopts the rules.

(c) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a food package that includes inks, dyes, pigments, adhesives, stabilizers, coatings, plasticizers, or any other additives to which ortho-phthalates have been intentionally added and are present in any amount.

(d) This section shall not apply to the sale or resale of used products.

§ 2494z. CERTIFICATE OF COMPLIANCE

(a) The Attorney General may request a certificate of compliance from a manufacturer of food packaging. Within 60 days after receipt of the Attorney General's request for a certificate of compliance, the manufacturer shall:

(1) provide the Attorney General with a certificate attesting that the manufacturer's product or products comply with the requirements of this subchapter; or

(2) notify persons who are selling a product of the manufacturer's in this State that the sale is prohibited because the product does not comply with this subchapter and submit to the Attorney General a list of the names and addresses of those persons notified.

(b) A manufacturer required to submit a certificate of compliance pursuant to this section may rely upon a certificate of compliance provided to the manufacturer by a supplier for the purpose of determining the manufacturer's reporting obligations. A certificate of compliance provided by a supplier in accordance with this subsection shall be used solely for the purpose of determining a manufacturer's compliance with this section.

* * * Engagement and Implementation Plans * * *

Sec. 9. COMMUNITY ENGAGEMENT PLAN

(a) On or before July 1, 2025, the Department of Health shall develop and submit a community engagement plan to the Senate Committee on Health and Welfare and to the House Committee on Human Services related to the enactment of 9 V.S.A. chapter 63, subchapter 12. The community engagement plan shall:

(1) provide education to the general public on chemicals of concern in cosmetic and menstrual products and specifically address the unique impact these products have on marginalized communities by providing the use of language access services, participant compensation, and other resources that support equitable access to participation; and

(2) outline the methodology and costs to conduct outreach for the purposes of:

(A) identifying cosmetic products of concern, including those marketed to or utilized by marginalized communities in Vermont;

(B) conducting research on the prevalence of potentially harmful ingredients within cosmetic products, including those marketed to or utilized by marginalized communities in Vermont;

(C) proposing a process for regulating chemicals or products containing potentially harmful ingredients, including those marketed to or utilized by marginalized communities in Vermont; and

(D) creating culturally appropriate public health awareness campaigns concerning harmful ingredients used in cosmetic products.

(b) As used in the section, “marginalized communities” means individuals with shared characteristics who experience or have historically experienced discrimination based on race, ethnicity, color, national origin, English language proficiency, disability, gender identity, gender expression, or sexual orientation.

Sec. 10. IMPLEMENTATION PLAN; CONSUMER PRODUCTS CONTAINING PFAS

(a) The Agency of Natural Resources, in consultation with the Agency of Agriculture, Food and Markets; the Department of Health; and the Office of the Attorney General, shall propose a program requiring the State to identify and restrict the sale and distribution of consumer products containing perfluoroalkyl and polyfluoroalkyl substances (PFAS) that could impact public health and the environment. The proposed program shall:

(1) identify categories of consumer products that could have an impact on public health and environmental contamination;

(2) propose a process by which manufacturers determine whether a consumer product contains PFAS and how that information is communicated to the State;

(3) address how information about the presence or lack of PFAS in a consumer product is conveyed to the public;

(4) describe which agency or department is responsible for administration of the proposed program, including what additional staff, information technology changes, and other resources, if any, are necessary to implement the program;

(5) determine whether and how other states have structured and implemented similar programs and identify the best practices used in these efforts;

(6) propose definitions of “intentionally added,” “consumer product,” and “perfluoroalkyl and polyfluoroalkyl substances”;

(7) propose a related public service announcement program and website content to inform the public and health care providers about the potential public health impacts of exposure to PFAS and actions that can be taken to reduce risk;

(8) provide recommendations for the regulation of PFAS within consumer products that use recycled materials, including food packaging, cosmetic product packaging, and textiles; and

(9) determine whether “personal protective equipment” regulated by the U.S. Occupational Safety and Health Administration under the Occupational Safety and Health Act, the U.S. Food and Drug Administration, or the U.S. Centers for Disease Control and Prevention, or a product that is regulated as a drug, medical device, or dietary supplement by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act or the Dietary Supplement Health and Education Act, is appropriately regulated under 9 V.S.A. chapter 63, subchapters 12–12c.

(b) The Agency of Natural Resources shall obtain input on its recommendation from interested parties, including those that represent environmental, agricultural, and industry interests.

(c) On or before November 1, 2024, the Agency of Natural Resources shall submit an implementation plan developed pursuant to this section and corresponding draft legislation to the House Committees on Environment and Energy and on Human Services and the Senate Committees on Health and Welfare and on Natural Resources and Energy.

(d) For the purposes of this section, “consumer products” includes restricted and nonrestricted use pesticides.

* * * Repeal * * *

Sec. 11. REPEAL; PFAS IN VARIOUS CONSUMER PRODUCTS

18 V.S.A. chapter 33 (PFAS in firefighting agents and equipment), 18 V.S.A. chapter 33A (chemicals of concern in food packaging), 18 V.S.A. chapter 33B (PFAS in rugs, carpets, and aftermarket stain and water resistant treatments), and 18 V.S.A. chapter 33C (PFAS in ski wax) are repealed on January 1, 2026.

* * * Compliance Notification * * *

Sec. 12. COMPLIANCE NOTIFICATION

If, upon a showing by a manufacturer, the Office of the Attorney General determines that it is not feasible to produce a particular consumer product as required by this act on the effective date listed in Sec. 13 (effective dates), the Attorney General may postpone the compliance date for that product for up to one year. If the Attorney General postpones a compliance date pursuant to this section, the Office of the Attorney General shall post notification of the postponement on its website.

* * * Effective Dates * * *

Sec. 13. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that:

(1) Sec. 1 (chemicals in cosmetic and menstrual products), Sec. 3 (PFAS in consumer products), Sec. 7 (PFAS in firefighting agents and equipment), and Sec. 8 (chemicals of concern in food packaging) shall take effect on January 1, 2026;

(2) Sec. 2 (9 V.S.A. § 2494b) and Sec. 6 (9 V.S.A. § 2494e(15)) shall take effect on July 1, 2027;

(3) Sec. 4 (artificial turf) shall take effect on January 1, 2028; and

(4) Sec. 5 (9 V.S.A. § 2494e(2)) shall take effect on July 1, 2028.

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

“An act relating to regulating consumer products containing perfluoroalkyl and polyfluoroalkyl substances or other chemicals.”

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Lyons, Gulick, Hardy, Weeks and Williams moved that the Senate concur in the House proposal of amendment with a proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Chemicals in Cosmetic and Menstrual Products * * *

Sec. 1. 9 V.S.A. chapter 63, subchapter 12 is added to read:

Subchapter 12. Chemicals in Cosmetic and Menstrual Products

§ 2494a. DEFINITIONS

As used in this subchapter:

(1) “Bisphenols” means any member of a class of industrial chemicals that contain two hydroxyphenyl groups. Bisphenols are used primarily in the manufacture of polycarbonate plastic and epoxy resins.

(2) “Cosmetic product” means articles or a component of articles intended to be rubbed, poured, sprinkled, or sprayed on; introduced into; or otherwise applied to the human body or any part thereof for cleansing, promoting attractiveness, or improving or altering appearance, including those intended for use by professionals. “Cosmetic product” does not mean soap, dietary supplements, or food and drugs approved by the U.S. Food and Drug Administration.

(3) “Formaldehyde-releasing agent” means a chemical that releases formaldehyde.

(4) “Intentionally added” means the addition of a chemical in a product that serves an intended function in the product component.

(5) “Manufacturer” means any person engaged in the business of making or assembling a consumer product directly or indirectly available to consumers. “Manufacturer” excludes a distributor or retailer, except when a consumer product is made or assembled outside the United States, in which case a “manufacturer” includes the importer or first domestic distributor of the consumer product.

(6) “Menstrual product” means a product used to collect menstruation and vaginal discharge, including tampons, pads, sponges, menstruation underwear, disks, applicators, and menstrual cups, whether disposable or reusable.

(7) “Ortho-phthalates” means any member of the class of organic chemicals that are esters of phthalic acid containing two carbon chains located in the ortho position.

(8) “Perfluoroalkyl and polyfluoroalkyl substances” or “PFAS” means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

(9) “Professional” means a person granted a license pursuant to 26 V.S.A. chapter 6 to practice in the field of barbering, cosmetology, manicuring, or esthetics.

§ 2494b. PROHIBITED CHEMICALS IN COSMETIC AND MENSTRUAL PRODUCTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State any cosmetic or menstrual product to which the following chemicals or chemical classes have been intentionally added in any amount:

- (1) ortho-phthalates;
- (2) PFAS;
- (3) formaldehyde (CAS 50-00-0);
- (4) methylene glycol (CAS 463-57-0);
- (5) mercury and mercury compounds (CAS 7439-97-6);
- (6) 1, 4-dioxane (CAS 123-91-1);
- (7) isopropylparaben (CAS 4191-73-5);

- (8) isobutylparaben (CAS 4247-02-3);
- (9) lead and lead compounds (CAS 7439-92-1);
- (10) asbestos;
- (11) triclosan (CAS 3380-34-5);
- (12) m-phenylenediamine and its salts (CAS 108-42-5);
- (13) o-phenylenediamine and its salts (CAS 95-54-5); and
- (14) quaternium-15 (CAS 51229-78-8).

(b) A cosmetic or menstrual product made through manufacturing processes intended to comply with this subchapter and containing a technically unavoidable trace quantity of a chemical or chemical class listed in subsection (a) of this section shall not be in violation of this subchapter on account of the trace quantity where it is caused by impurities of:

- (1) natural or synthetic ingredients;
- (2) the manufacturing process;
- (3) storage; or
- (4) migration from packaging.

(c) A manufacturer shall not knowingly manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State any cosmetic or menstrual product that contains 1,4, dioxane at or exceeding 10 parts per million.

(d)(1) Pursuant to 3 V.S.A. chapter 25, the Department of Health may adopt rules prohibiting a manufacturer from selling, offering for sale, distributing for sale, or distributing for use a cosmetic or menstrual product to which formaldehyde releasing agents have been intentionally added and are present in any amount.

(2) The Department may only prohibit a manufacturer from selling, offering for sale, distributing for sale, or distributing for use a cosmetic or menstrual product in accordance with this subsection if the Department or at least one other state has determined that a safer alternative is readily available in sufficient quantity and at comparable cost and that the safer alternative performs as well as or better than formaldehyde releasing agents in a specific application of formaldehyde releasing agents to a cosmetic or menstrual product.

(3) Any rule adopted by the Department pursuant to this subsection may restrict formaldehyde releasing agents as individual chemicals or as a class of chemicals.

§ 2494c. VIOLATIONS

(a) A violation of this subchapter is deemed to be a violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions, and private parties have the same rights and remedies, as provided under subchapter 1 of this chapter.

Sec. 2. 9 V.S.A. § 2494b is amended to read:

§ 2494b. PROHIBITED CHEMICALS IN COSMETIC AND MENSTRUAL PRODUCTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State any cosmetic or menstrual product to which the following chemicals or chemical classes have been intentionally added in any amount:

* * *

(13) o-phenylenediamine and its salts (CAS 95-54-5); and

(14) quaternium-15 (CAS 51229-78-8);

(15) styrene (CAS 100-42-5);

(16) octamethylcyclotetrasiloxane (CAS 556-67-2); and

(17) toluene (CAS 108-88-3).

* * *

* * * PFAS in Consumer Products * * *

Sec. 3. 9 V.S.A. chapter 63, subchapter 12a is added to read:

Subchapter 12a. PFAS in Consumer Products§ 2494e. DEFINITIONS

As used in this subchapter:

(1) “Adult mattress” means a mattress other than a crib or toddler mattress.

(2) “Aftermarket stain and water resistant treatments” means treatments for textile and leather consumer products used in residential settings that have been treated during the manufacturing process for stain, oil, and water resistance, but excludes products marketed or sold exclusively for use at industrial facilities during the manufacture of a carpet, rug, clothing, or shoe.

(3) “Apparel” means any of the following:

(A) Clothing items intended for regular wear or formal occasions, including undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, costumes, vests, dancewear, suits, saris, scarves, tops, leggings, school uniforms, leisurewear, athletic wear, sports uniforms, everyday swimwear, formal wear, onesies, bibs, reusable diapers, footwear, and everyday uniforms for workwear. Clothing items intended for regular wear or formal occasions do not include clothing items for exclusive use by the U.S. Armed Forces, outdoor apparel for severe wet conditions, and personal protective equipment.

(B) Outdoor apparel.

(4) “Artificial turf” means a surface of synthetic fibers that is used in place of natural grass in recreational, residential, or commercial applications.

(5) “Cookware” means durable houseware items used to prepare, dispense, or store food, foodstuffs, or beverages and that are intended for direct food contact, including pots, pans, skillets, grills, baking sheets, baking molds, trays, bowls, and cooking utensils.

(6) “Incontinency protection product” means a disposable, absorbent hygiene product designed to absorb bodily waste for use by individuals 12 years of age and older.

(7) “Intentionally added” means the addition of a chemical in a product that serves an intended function in the product component.

(8) “Juvenile product” means a product designed or marketed for use by infants and children under 12 years of age:

(A) including a baby or toddler foam pillow; bassinet; bedside sleeper; booster seat; changing pad; infant bouncer; infant carrier; infant seat; infant sleep positioner; infant swing; infant travel bed; infant walker; nap cot; nursing pad; nursing pillow; play mat; playpen; play yard; polyurethane foam mat, pad, or pillow; portable foam nap mat; portable infant sleeper; portable hook-in chair; soft-sided portable crib; stroller; toddler mattress; and disposable, single-use diaper; and

(B) excluding a children’s electronic product, such as a personal computer, audio and video equipment, calculator, wireless phone, game console, handheld device incorporating a video screen, or any associated peripheral such as a mouse, keyboard, power supply unit, or power cord; a medical device; or an adult mattress.

(9) “Manufacturer” means any person engaged in the business of making or assembling a consumer product directly or indirectly available to consumers. “Manufacturer” excludes a distributor or retailer, except when a consumer product is made or assembled outside the United States, in which

case a “manufacturer” includes the importer or first domestic distributor of the consumer product.

(10) “Medical device” has the same meaning given to “device” in 21 U.S.C. § 321.

(11) “Outdoor apparel” means clothing items intended primarily for outdoor activities, including hiking, camping, skiing, climbing, bicycling, and fishing.

(12) “Outdoor apparel for severe wet conditions” means outdoor apparel that are extreme and extended use products designed for outdoor sports experts for applications that provide protection against extended exposure to extreme rain conditions or against extended immersion in water or wet conditions, such as from snow, in order to protect the health and safety of the user and that are not marketed for general consumer use. Examples of extreme and extended use products include outerwear for offshore fishing, offshore sailing, whitewater kayaking, and mountaineering.

(13) “Perfluoroalkyl and polyfluoroalkyl substances” or “PFAS” means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

(14) “Personal protective equipment” has the same meaning as in section 2494p of this title.

(15) “Regulated perfluoroalkyl and polyfluoroalkyl substances” or “regulated PFAS” means:

(A) PFAS that a manufacturer has intentionally added to a product and that have a functional or technical effect in the product, including PFAS components of intentionally added chemicals and PFAS that are intentional breakdown products of an added chemical that also have a functional or technical effect in the product; or

(B) the presence of PFAS in a product or product component at or above 100 parts per million, as measured in total organic fluorine.

(16) “Rug or carpet” means a fabric marketed or intended for use as a floor covering.

(17) “Ski wax” means a lubricant applied to the bottom of snow runners, including skis and snowboards, to improve their grip and glide properties.

(18) “Textile” means any item made in whole or part from a natural, manmade, or synthetic fiber, yarn, or fabric, and includes leather, cotton, silk, jute, hemp, wool, viscose, nylon, or polyester. “Textile” does not include

single-use paper hygiene products, including toilet paper, paper towels, tissues, or single-use absorbent hygiene products.

(19) “Textile articles” means textile goods of a type customarily and ordinarily used in households and businesses, and includes apparel, accessories, handbags, backpacks, draperies, shower curtains, furnishings, upholstery, bedding, towels, napkins, and table cloths. “Textile articles” does not include:

(A) a vehicle, as defined in 1 U.S.C. § 4, or its component parts;

(B) a vessel, as defined in 1 U.S.C. § 3, or its component parts;

(C) an aircraft, as defined in 49 U.S.C. § 40102(a)(6), or its component parts;

(D) filtration media and filter products used in industrial applications, including chemical or pharmaceutical manufacturing and environmental control technologies;

(E) textile articles used for laboratory analysis and testing; and

(F) rugs or carpets.

§ 2494f. AFTERMARKET STAIN AND WATER-RESISTANT TREATMENTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State aftermarket stain and water-resistant treatments for rugs or carpets to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494g. ARTIFICIAL TURF

A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State artificial turf to which:

(1) PFAS have been intentionally added in any amount; or

(2) PFAS have entered the product from the manufacturing or processing of that product, the addition of which is known or reasonably ascertainable by the manufacturer.

§ 2494h. COOKWARE

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State cookware to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494i. INCONTINENCY PROTECTION PRODUCT

A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State an incontinency protection product to which PFAS have been intentionally added in any amount.

§ 2494j. JUVENILE PRODUCTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State juvenile products to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494k. RUGS AND CARPETS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a residential rug or carpet to which PFAS have been added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494l. SKI WAX

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State ski wax or related tuning products to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494m. TEXTILES

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a textile or textile article to which regulated PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494n. CERTIFICATE OF COMPLIANCE

(a) The Attorney General may request a certificate of compliance from a manufacturer of a consumer product regulated under this subchapter. Within 60 days after receipt of the Attorney General's request for a certificate of compliance, the manufacturer shall:

(1) provide the Attorney General with a certificate attesting that the manufacturer's product or products comply with the requirements of this subchapter; or

(2) notify persons who are selling a product of the manufacturer's in this State that the sale is prohibited because the product does not comply with this subchapter and submit to the Attorney General a list of the names and addresses of those persons notified.

(b) A manufacturer required to submit a certificate of compliance pursuant to this section may rely upon a certificate of compliance provided to the manufacturer by a supplier for the purpose of determining the manufacturer's reporting obligations. A certificate of compliance provided by a supplier in accordance with this subsection shall be used solely for the purpose of determining a manufacturer's compliance with this section.

§ 2494o. VIOLATIONS

(a) A violation of this subchapter is deemed to be a violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions, and private parties have the same rights and remedies, as provided under subchapter 1 of this chapter.

* * * Amendments to PFAS in Textiles * * *

Sec. 4. 9 V.S.A. § 2494e(3) is amended to read:

(3) "Apparel" means any of the following:

(A) Clothing items intended for regular wear or formal occasions, including undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, costumes, vests, dancewear, suits, saris, scarves, tops, leggings, school uniforms, leisurewear, athletic wear, sports uniforms, everyday swimwear, formal wear, onesies, bibs, reusable diapers, footwear, and everyday uniforms for workwear. Clothing items intended for regular wear or formal occasions do not include clothing items for exclusive use by the U.S. Armed Forces; ~~outdoor apparel for severe wet conditions~~; and personal protective equipment.

(B) Outdoor apparel.

(C) Outdoor apparel for severe wet conditions.

Sec. 5. 9 V.S.A. § 2494e(15) is amended to read:

(15) "Regulated perfluoroalkyl and polyfluoroalkyl substances" or "regulated PFAS" means:

(A) PFAS that a manufacturer has intentionally added to a product and that have a functional or technical effect in the product, including PFAS components of intentionally added chemicals and PFAS that are intentional breakdown products of an added chemical that also have a functional or technical effect in the product; or

(B) the presence of PFAS in a product or product component at or above ~~100~~ 50 parts per million, as measured in total organic fluorine.

* * * PFAS in Firefighting Agents and Equipment * * *

Sec. 6. 9 V.S.A. chapter 63, subchapter 12b is added to read:

Subchapter 12b. PFAS in Firefighting Agents and Equipment

§ 2494p. DEFINITIONS

As used in this subchapter:

(1) “Class B firefighting foam” means chemical foams designed for flammable liquid fires.

(2) “Intentionally added” means the addition of a chemical in a product that serves an intended function in the product component.

(3) “Manufacturer” means any person engaged in the business of making or assembling a consumer product directly or indirectly available to consumers. “Manufacturer” excludes a distributor or retailer, except when a consumer product is made or assembled outside the United States, in which case a “manufacturer” includes the importer or first domestic distributor of the consumer product.

(4) “Municipality” means any city, town, incorporated village, town fire district, or other political subdivision that provides firefighting services pursuant to general law or municipal charter.

(5) “Perfluoroalkyl and polyfluoroalkyl substances” or “PFAS” means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

(6) “Personal protective equipment” means clothing designed, intended, or marketed to be worn by firefighting personnel in the performance of their duties, designed with the intent for use in fire and rescue activities, and includes jackets, pants, shoes, gloves, helmets, and respiratory equipment.

(7) “Terminal” means an establishment primarily engaged in the wholesale distribution of crude petroleum and petroleum products, including liquefied petroleum gas from bulk liquid storage facilities.

§ 2494q. PROHIBITION OF CERTAIN CLASS B FIREFIGHTING FOAM

A person, municipality, or State agency shall not discharge or otherwise use for training or testing purposes class B firefighting foam that contains intentionally added PFAS.

§ 2494r. RESTRICTION ON MANUFACTURE, SALE, AND DISTRIBUTION; EXCEPTIONS

(a) A manufacturer of class B firefighting foam shall not manufacture, sell, offer for sale, or distribute for sale or use in this State class B firefighting foam to which PFAS have been intentionally added.

(b) A person operating a terminal who seeks to purchase class B firefighting foam containing intentionally added PFAS for the purpose of fighting emergency class B fires may apply to the Department of Environmental Conservation for a temporary exemption from the restrictions on the manufacture, sale, offer for sale, or distribution of class B firefighting foam for use at a terminal. An exemption shall not exceed one year. The Department of Environmental Conservation, in consultation with the Department of Health, may grant an exemption under this subsection if the applicant provides:

(1) clear and convincing evidence that there is not a commercially available alternative that:

(A) does not contain intentionally added PFAS; and

(B) is capable of suppressing a large atmospheric tank fire or emergency class B fire at the terminal;

(2) information on the amount of class B firefighting foam containing intentionally added PFAS that is annually stored, used, or released at the terminal;

(3) a report on the progress being made by the applicant to transition at the terminal to class B firefighting foam that does not contain intentionally added PFAS; and

(4) an explanation of how:

(A) all releases of class B firefighting foam containing intentionally added PFAS shall be fully contained at the terminal; and

(B) existing containment measures prevent firewater, wastewater, runoff, and other wastes from being released into the environment, including into soil, groundwater, waterways, and stormwater.

(c) Nothing in this section shall prohibit a terminal from providing class B firefighting foam in the form of aid to another terminal in the event of a class B fire.

§ 2494s. SALE OF PERSONAL PROTECTIVE EQUIPMENT CONTAINING PFAS

(a) A manufacturer or other person that sells firefighting equipment to any person, municipality, or State agency shall provide written notice to the purchaser at the time of sale, citing to this subchapter, if the personal

protective equipment contains PFAS. The written notice shall include a statement that the personal protective equipment contains PFAS and the reason PFAS are added to the equipment.

(b) The manufacturer or person selling personal protective equipment and the purchaser of the personal protective equipment shall retain the notice for at least three years from the date of the transaction.

§ 2494t. NOTIFICATION; RECALL OF PROHIBITED PRODUCTS

(a) A manufacturer of class B firefighting foam containing intentionally added PFAS shall provide written notice to persons that sell the manufacturer's products in this State about the restrictions imposed by this subchapter not less than one year prior to the effective date of the restrictions.

(b) Unless a class B firefighting foam containing intentionally added PFAS is intended for use at a terminal and the person operating a terminal holds a temporary exemption pursuant to subsection 2494r(b) of this title, a manufacturer that produces, sells, or distributes a class B firefighting foam containing intentionally added PFAS shall:

(1) recall the product and reimburse the retailer or any other purchaser for the product; and

(2) issue either a press release or notice on the manufacturer's website describing the product recall and reimbursement requirement established in this subsection.

§ 2494u. CERTIFICATE OF COMPLIANCE

(a) The Attorney General may request a certificate of compliance from a manufacturer of class B firefighting foam or firefighting personal protective equipment. Within 60 days after receipt of the Attorney General's request for a certificate of compliance, the manufacturer shall:

(1) provide the Attorney General with a certificate attesting that the manufacturer's product or products comply with the requirements of this subchapter; or

(2) notify persons who are selling a product of the manufacturer's in this State that the sale is prohibited because the product does not comply with this subchapter and submit to the Attorney General a list of the names and addresses of those persons notified.

(b) A manufacturer required to submit a certificate of compliance pursuant to this section may rely upon a certificate of compliance provided to the manufacturer by a supplier for the purpose of determining the manufacturer's reporting obligations. A certificate of compliance provided by a supplier in

accordance with this subsection shall be used solely for the purpose of determining a manufacturer's compliance with this section.

§ 2494v. VIOLATIONS

(a) A violation of this subchapter is deemed to be a violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions, and private parties have the same rights and remedies, as provided under subchapter 1 of this chapter.

* * * Chemicals of Concern in Food Packaging * * *

Sec. 7. 9 V.S.A. chapter 63, subchapter 12c is added to read:

Subchapter 12c. Chemicals of Concern in Food Packaging

§ 2494w. DEFINITIONS

As used in this subchapter:

(1) "Bisphenols" means any member of a class of industrial chemicals that contain two hydroxyphenyl groups. Bisphenols are used primarily in the manufacture of polycarbonate plastic and epoxy resins.

(2) "Department" means the Department of Health.

(3) "Food package" or "food packaging" means a package or packaging component that is intended for direct food contact.

(4) "Intentionally added" means the addition of a chemical in a product that serves an intended function in the product component.

(5) "Ortho-phthalates" means any member of the class of organic chemicals that are esters of phthalic acid containing two carbon chains located in the ortho position.

(6) "Package" means a container providing a means of marketing, protecting, or handling a product and shall include a unit package, an intermediate package, and a shipping container. "Package" also means unsealed receptacles, such as carrying cases, crates, cups, pails, rigid foil and other trays, wrappers and wrapping films, bags, and tubs.

(7) "Packaging component" means an individual assembled part of a package, such as any interior or exterior blocking, bracing, cushioning, weatherproofing, exterior strapping, coatings, closures, inks, and labels, and disposable gloves used in commercial or institutional food service.

(8) “Perfluoroalkyl and polyfluoroalkyl substances” or “PFAS” means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

§ 2494x. FOOD PACKAGING

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a food package to which PFAS have been intentionally added and are present in any amount.

(b)(1) Pursuant to 3 V.S.A. chapter 25, the Department may adopt rules prohibiting a manufacturer, supplier, or distributor from selling or offering for sale or for promotional distribution a food package or the packaging component of a food package to which bisphenols have been intentionally added and are present in any amount. The Department may exempt specific chemicals within the bisphenol class when clear and convincing evidence suggests they are not endocrine-active or otherwise toxic.

(2) The Department may only prohibit a manufacturer, supplier, or distributor from selling or offering for sale or for promotional distribution a food package or the packaging component of a food package in accordance with this subsection if the Department or at least one other state has determined that a safer alternative is readily available in sufficient quantity and at a comparable cost and that the safer alternative performs as well as or better than bisphenols in a specific application of bisphenols to a food package or the packaging component of a food package.

(3) If the Department prohibits a manufacturer, supplier, or distributor from selling or offering for sale or for promotional distribution a food package or the packaging component of a food package in accordance with this subsection, the prohibition shall not take effect until two years after the Department adopts the rules.

(c) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a food package that includes inks, dyes, pigments, adhesives, stabilizers, coatings, plasticizers, or any other additives to which ortho-phthalates have been intentionally added and are present in any amount.

(d) This section shall not apply to the sale or resale of used products.

§ 2494y. CERTIFICATE OF COMPLIANCE

(a) The Attorney General may request a certificate of compliance from a manufacturer of food packaging. Within 60 days after receipt of the Attorney General’s request for a certificate of compliance, the manufacturer shall:

(1) provide the Attorney General with a certificate attesting that the manufacturer's product or products comply with the requirements of this subchapter; or

(2) notify persons who are selling a product of the manufacturer's in this State that the sale is prohibited because the product does not comply with this subchapter and submit to the Attorney General a list of the names and addresses of those persons notified.

(b) A manufacturer required to submit a certificate of compliance pursuant to this section may rely upon a certificate of compliance provided to the manufacturer by a supplier for the purpose of determining the manufacturer's reporting obligations. A certificate of compliance provided by a supplier in accordance with this subsection shall be used solely for the purpose of determining a manufacturer's compliance with this section.

§ 2494z. VIOLATIONS

(a) A violation of this subchapter is deemed to be a violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions, and private parties have the same rights and remedies, as provided under subchapter 1 of this chapter.

* * * Engagement and Implementation Plans * * *

Sec. 8. COMMUNITY ENGAGEMENT PLAN

(a) On or before July 1, 2025, the Department of Health shall develop and submit a community engagement plan to the Senate Committee on Health and Welfare and to the House Committee on Human Services related to the enactment of 9 V.S.A. chapter 63, subchapter 12. The community engagement plan shall:

(1) provide education to the general public on chemicals of concern in cosmetic and menstrual products and specifically address the unique impact these products have on marginalized communities by providing the use of language access services, participant compensation, and other resources that support equitable access to participation; and

(2) outline the methodology and costs to conduct outreach for the purposes of:

(A) identifying cosmetic products of concern, including those marketed to or utilized by marginalized communities in Vermont;

(B) conducting research on the prevalence of potentially harmful ingredients within cosmetic products, including those marketed to or utilized by marginalized communities in Vermont;

(C) proposing a process for regulating chemicals or products containing potentially harmful ingredients, including those marketed to or utilized by marginalized communities in Vermont; and

(D) creating culturally appropriate public health awareness campaigns concerning harmful ingredients used in cosmetic products.

(b) As used in the section, “marginalized communities” means individuals with shared characteristics who experience or have historically experienced discrimination based on race, ethnicity, color, national origin, English language proficiency, disability, gender identity, gender expression, or sexual orientation.

Sec. 9. IMPLEMENTATION PLAN; CONSUMER PRODUCTS CONTAINING PFAS

(a) The Agency of Natural Resources, in consultation with the Agency of Agriculture, Food and Markets; the Department of Health; and the Office of the Attorney General, shall propose a program requiring the State to identify and restrict the sale and distribution of consumer products containing perfluoroalkyl and polyfluoroalkyl substances (PFAS) that could impact public health and the environment. The proposed program shall:

(1) identify categories of consumer products that could have an impact on public health and environmental contamination;

(2) propose a process by which manufacturers determine whether a consumer product contains PFAS and how that information is communicated to the State;

(3) address how information about the presence or lack of PFAS in a consumer product is conveyed to the public;

(4) describe which agency or department is responsible for administration of the proposed program, including what additional staff, information technology changes, and other resources, if any, are necessary to implement the program;

(5) determine whether and how other states have structured and implemented similar programs and identify the best practices used in these efforts;

(6) propose definitions of “intentionally added,” “consumer product,” and “perfluoroalkyl and polyfluoroalkyl substances”;

(7) propose a related public service announcement program and website content to inform the public and health care providers about the potential public health impacts of exposure to PFAS and actions that can be taken to reduce risk;

(8) provide recommendations for the regulation of PFAS within consumer products that use recycled materials, including food packaging, cosmetic product packaging, and textiles; and

(9) determine whether “personal protective equipment” regulated by the U.S. Occupational Safety and Health Administration under the Occupational Safety and Health Act, the U.S. Food and Drug Administration, or the U.S. Centers for Disease Control and Prevention, or a product that is regulated as a drug, medical device, or dietary supplement by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act or the Dietary Supplement Health and Education Act, is appropriately regulated under 9 V.S.A. chapter 63, subchapters 12–12c.

(b) The Agency of Natural Resources shall obtain input on its recommendation from interested parties, including those that represent environmental, agricultural, and industry interests.

(c) On or before November 1, 2024, the Agency of Natural Resources shall submit an implementation plan developed pursuant to this section and corresponding draft legislation to the House Committees on Environment and Energy and on Human Services and the Senate Committees on Health and Welfare and on Natural Resources and Energy.

(d) For the purposes of this section, “consumer products” includes restricted and nonrestricted use pesticides.

* * * Repeal * * *

Sec. 10. REPEAL; PFAS IN VARIOUS CONSUMER PRODUCTS

18 V.S.A. chapter 33 (PFAS in firefighting agents and equipment), 18 V.S.A. chapter 33A (chemicals of concern in food packaging), 18 V.S.A. chapter 33B (PFAS in rugs, carpets, and aftermarket stain and water resistant treatments), and 18 V.S.A. chapter 33C (PFAS in ski wax) are repealed on January 1, 2026.

* * * Compliance Notification * * *

Sec. 11. COMPLIANCE NOTIFICATION

If, upon a showing by a manufacturer, the Office of the Attorney General determines that it is not feasible to produce a particular consumer product as required by this act on the effective date listed in Sec. 13 (effective dates), the

Attorney General may postpone the compliance date for that product for up to one year. If the Attorney General postpones a compliance date pursuant to this section, the Office of the Attorney General shall post notification of the postponement on its website.

* * * Lead in Cosmetic Products * * *

Sec. 12. LEAD IN COSMETIC PRODUCTS

On or before March 1, 2025, the Department of Health shall observe and evaluate Washington’s experience of implementing a one part per million limit on the presence of lead in cosmetic products and present the Department’s findings to the House Committee on Human Services and to the Senate Committee on Health and Welfare.

* * * Effective Dates * * *

Sec. 13. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that:

(1) Sec. 1 (chemicals in cosmetic and menstrual products), Sec. 3 (PFAS in consumer products), Sec. 6 (PFAS in firefighting agents and equipment), and Sec. 7 (chemicals of concern in food packaging) shall take effect on January 1, 2026;

(2) Sec. 2 (9 V.S.A. § 2494b) and Sec. 5 (9 V.S.A. § 2494e(15)) shall take effect on July 1, 2027; and

(3) Sec. 4 (9 V.S.A. § 2494e(3)) shall take effect on July 1, 2028.

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

“An act relating to regulating consumer products containing perfluoroalkyl and polyfluoroalkyl substances or other chemicals.”

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

Proposal of Amendment; Third Reading Ordered

H. 72.

Senator Lyons, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to a harm-reduction criminal justice response to drug use.

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:

* * * Overdose Prevention Centers * * *

Sec. 1. 18 V.S.A. § 4256 is added to read:

§ 4256. OVERDOSE PREVENTION CENTERS

(a) An overdose prevention center:

(1) provides a space, either at a fixed location or a mobile facility, supervised by health care professionals or other trained staff where persons who use drugs can consume preobtained drugs and medication for substance use disorder;

(2) provides harm reduction supplies, including sterile injection supplies; collects used hypodermic needles and syringes; and provides secure hypodermic needle and syringe disposal services;

(3) provides drug-checking services;

(4) answers questions on safer consumption practices;

(5) administers first aid, if needed, and monitors and treats potential overdoses;

(6) provides referrals to addiction treatment, medical services, and social services;

(7) educates participants on the risks of contracting HIV and viral hepatitis, wound care, and safe sex education;

(8) provides overdose prevention education and distributes overdose reversal medications, including naloxone;

(9) educates participants regarding proper disposal of hypodermic needles and syringes;

(10) provides reasonable security of the program site;

(11) establishes operating procedures for the program as well as eligibility criteria for program participants; and

(12) trains staff members to deliver services offered by the program.

(b) The Department of Health, in consultation with stakeholders and health departments of other jurisdictions that have overdose prevention centers, shall develop operating guidelines for overdose prevention centers not later than September 15, 2024. The operating guidelines shall include the level of staff qualifications required for medical safety and treatment and referral support and require an overdose prevention center to staff trained professionals during operating hours who, at a minimum, can provide basic medical care, such as CPR, overdose interventions, first aid, and wound care, as well as have the

ability to perform medical assessments with program participants to determine if there is a need for emergency medical service response. Overdose prevention center staff may include peers, case managers, medical professionals, and mental health counselors.

(c)(1) The following persons are entitled to the immunity protections set forth in subdivision (2) of this subsection for participation in or with an approved overdose prevention center that is acting in the good faith provision of overdose prevention services in accordance with the guidelines established pursuant to this section:

(A) an individual using the services of an overdose prevention center;

(B) a staff member, operator, administrator, or director of an overdose prevention center, including a health care professional, manager, employee, or volunteer;

(C) a property owner, lessor, or sublessor on the property at which an overdose prevention center is located and operates;

(D) an entity operating the overdose prevention center; and

(E) a State or municipal employee acting within the course and scope of the employee's employment.

(2) Persons identified in subdivision (1) of this subsection shall not be:

(A) cited, arrested, charged, or prosecuted for unlawful possession of a regulated drug in violation of this chapter or for attempting, aiding or abetting, or conspiracy to commit a violation of any of provision of this chapter;

(B) subject to property seizure or forfeiture for unlawful possession of a regulated drug in violation of this chapter;

(C) subject to any civil liability or civil or administrative penalty, including disciplinary action by a professional licensing board, credentialing restriction, contractual liability, or medical staff or other employment action;
or

(D) denied any right or privilege.

(3) The immunity provisions of subdivisions (2)(A) and (B) of this subsection apply only to the use and derivative use of evidence gained as a proximate result of participation in or with an overdose prevention center. Entering, exiting, or utilizing the services of an overdose prevention center shall not serve as the basis for, or a fact contributing to the existence of, reasonable suspicion or probable cause to conduct a search or seizure.

(d) An entity operating an overdose prevention center shall make publicly available the following information annually on or before January 15:

- (1) the number of program participants;
- (2) deidentified demographic information of program participants;
- (3) the number of overdoses and the number of overdoses reversed on-site;
- (4) the number of times emergency medical services were contacted and responded for assistance;
- (5) the number of times law enforcement were contacted and responded for assistance; and
- (6) the number of participants directly and formally referred to other services and the type of services.

(e) An overdose prevention center shall not be construed as a health care facility for purposes of chapter 221, subchapter 5 of this title.

Sec. 1a. 18 V.S.A. § 9435(g) is added to read:

(g) Excluded from this subchapter are overdose prevention centers established and operated in accordance with section 4256 of this title.

Sec. 2. PILOT PROGRAM; OVERDOSE PREVENTION CENTERS

(a) In fiscal year 2025, \$1,100,000.00 is appropriated to the Department of Health from the Opioid Abatement Special Fund for the purpose of awarding grants to the City of Burlington for establishing an overdose prevention center upon submission of a grant proposal that has been approved by the Burlington City Council and meets the requirements of 18 V.S.A. § 4256, including the guidelines developed by the Department of Health pursuant to that section.

(b) The Department of Health shall report on or before October 1, 2024, January 1, 2025, April 1, 2025, and July 1, 2025 to the Joint Fiscal Committee and the Joint Health Reform Oversight Committee regarding the status of distribution of the grants authorized in subsection (a) of this section.

Sec. 3. STUDY; OVERDOSE PREVENTION CENTERS

(a) On or before December 1, 2024, the Department of Health shall contract with a researcher or independent consulting entity with expertise in the field of rural addiction or overdose prevention centers, or both, to study the impact of the overdose prevention center pilot program authorized in Sec. 2 of this act. The study shall evaluate the current impacts of the overdose crisis in Vermont, as well as any changes up to four years following the implementation

of the overdose prevention center pilot program. The work of the researcher or independent consulting entity shall be governed by the following goals:

(1) the current state of the overdose crisis and deaths across the State of Vermont and the impact of the overdose prevention center pilot program on the overdose crisis and deaths across Vermont, with a focus on the community where the pilot program is established;

(2) the current crime rates in the community where the overdose prevention center pilot program will be established and the impact of the overdose prevention center pilot program on crime rates in the community where the overdose prevention center pilot program is established;

(3) the current rates of syringe litter in the community where the overdose prevention center pilot program will be established and the impact of the overdose prevention center pilot program on the rate of syringe litter where the overdose prevention center pilot program is established;

(4) the current number of emergency medical services response calls related to overdoses across Vermont, with a focus on the community where the pilot program will be established and the impact of the overdose prevention center pilot program on the number of emergency response calls related to overdoses;

(5) the current rate of syringe service program participant uptake of treatment and recovery services and the impact of the overdose prevention center pilot program on the rates of participant uptake of treatment and recovery services; and

(6) the impact of the overdose prevention center pilot program on the number of emergency response calls related to overdoses and other opioid-related medical needs across Vermont, with a focus on the community where the pilot program is established.

(b) The Department of Health shall collaborate with the researcher or independent consulting entity to provide the General Assembly with interim annual reports on or before January 15 of each year with a final report containing the results of the study and any recommendations on or before January 15, 2029.

Sec. 4. APPROPRIATION; STUDY; OVERDOSE PREVENTION CENTER

In fiscal year 2025, \$300,000.00 is appropriated to the Department of Health from the Opioid Abatement Special Fund for the purpose of funding the study of the impact of overdose prevention center pilot programs authorized in Sec. 2 of this act.

* * * Syringe Service Programs * * *

Sec. 5. 18 V.S.A. § 4475(a)(2) is amended to read:

(2) “Organized community-based needle exchange program” means a program approved by the Commissioner of Health under section 4478 of this title, the purpose of which is to provide access to clean needles and syringes; ~~and that is operated by an AIDS service organization, a substance abuse treatment provider, or a licensed health care provider or facility.~~ Such programs shall be operated in a manner that is consistent with the provisions of 10 V.S.A. chapter 159 (waste management; hazardous waste), and any other applicable laws.

Sec. 6. 18 V.S.A. § 4478 is amended to read:

§ 4478. NEEDLE EXCHANGE PROGRAMS

The Department of Health, in ~~collaboration~~ consultation with the ~~statewide harm reduction coalition~~ community stakeholders, shall develop operating guidelines for needle exchange programs. If a program complies with such operating guidelines and with existing laws and rules, it shall be approved by the Commissioner of Health. ~~Such operating guidelines shall be established not later than September 30, 1999.~~ A needle exchange program may apply to be an overdose prevention center pursuant to section 4256 of this title.

Sec. 7. APPROPRIATION; SYRINGE SERVICE PROGRAMS

In fiscal year 2025, the Department of Health shall provide grants in the amount of \$1,450,000.00 from the Opioid Settlement Fund to syringe service programs for HIV and Harm Reduction Services not later than September 1, 2024. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the current approved syringe service providers, and other relevant community overdose prevention and harm reduction service providers with the goal of increasing the number and reach of such programs and availability and efficacy of services throughout Vermont, especially in underserved rural areas.

* * * Technical Amendments * * *

Sec. 8. 18 V.S.A. § 4254 is redesignated to read:

§ 4254. REPORTING A DRUG OVERDOSE; IMMUNITY FROM LIABILITY

Sec. 9. REDESIGNATION

18 V.S.A. §§ 4240 and 4240a are redesignated as 18 V.S.A. §§ 4257 and 4258.

* * * Effective Date * * *

Sec. 10. EFFECTIVE DATE

This act shall take effect on passage.

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

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence when so amended.

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 Health and Welfare with the following amendments thereto:

First: In Sec. 2, pilot program; overdose prevention centers, by adding a subsection (c) to read as follows:

(c) It is the intent of the General Assembly to continue to appropriate funds from the Opioid Abatement Special Fund through fiscal year 2028 for the purpose of awarding grants to the City of Burlington for the operation of the pilot program.

Second: By striking out Sec. 7, appropriation; syringe service programs, in its entirety and by renumbering the remaining sections to be numerically correct.

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 Health and Welfare was amended as recommended by the Committee on Appropriations.

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, as amended?, Senators Hashim, Baruth, Sears and Vyhovsky move to amend the proposal of amendment of the Committee on Health and Welfare as follows:

In Sec. 1, 18 V.S.A. § 4256, by inserting subdivision (c)(4) to read as follows:

(4) The immunity provisions in subdivision (2)(C) of this subsection shall not apply to:

(A) an individual using the services of an overdose prevention center if the basis for the civil claim is that the person operated a motor vehicle in violation of 23 V.S.A. § 1201; or

(B) claims unrelated to the provision of overdose prevention services.

Which was agreed to.

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, as amended?, Senator Chittenden moved to amend the proposal of amendment of the Committee on Health and Welfare as follows:

First: In Sec. 1, 18 V.S.A. § 4256, in subdivision (a)(1), after the word “persons” by inserting who are 21 years of age or older

Second: In Sec. 1, 18 V.S.A. § 4256 in subsection (b), by inserting at the end of the subsection the following: The operating guidelines also shall include requirements for controlled entry points and signage to limit persons under 21 years of age from all services of the center, and training for staff regarding age verification.

Which was disagreed to.

Thereupon, the pending question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Health and Welfare, as amended?, was agreed to, on a roll call, Yeas 21, Nays 8.

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, Champion, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Sears, Vyhovsky, Watson, Westman, White, Wrenner.

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

Thereupon, third reading of the bill was ordered, on a roll call, Yeas 21, Nays 8.

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, Bray, Champion, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel,

Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Sears, Vyhovsky, Watson, Westman, White, Wrenner.

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

Proposals of Amendment; Third Reading Ordered

H. 173.

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

An act relating to prohibiting manipulating a child for the purpose of sexual contact.

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

First: By inserting a new Sec. 1 to read as follows:

Sec. 1. LEGISLATIVE FINDING

According to the Crimes Against Children Research Center, child sexual abuse is tragically widespread with one in five girls and one in 20 boys experiencing sexual abuse before 18 years of age. In over 90 percent of incidents of child sexual abuse, the perpetrator is someone known and trusted by the child and the child's family.

and by renumbering the remaining sections to be numerically correct.

Second: In the newly renumbered Sec. 2, purpose, by striking out subsections (a) and (c) in their entireties and by relettering the remaining subsections to be alphabetically correct and in the newly relettered subsection (a), after “community”, by inserting with intent.

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.

Proposal of Amendment; Third Reading Ordered

H. 655.

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

An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records.

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. SEALING CRIMINAL HISTORY RECORDS; JOINT
LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE

(a) The Joint Legislative Justice Oversight Committee shall examine the laws of other states regarding the sealing of criminal history records, including:

(1) the length of time that must toll before a record is eligible for sealing; and

(2) the individuals and entities that have access to sealed records, the purpose of such access, and the length of time such individuals and entities have access to the sealed records.

(b) On or before November 15, 2024, based upon the review of other states' procedures for sealed criminal history records, the Committee shall recommend to the General Assembly a proposal for the issues identified in subdivisions (a)(1) and (2) of this section.

Sec. 2. PETITIONLESS SEALING

On or before December 2, 2024, the Chief Superior Judge, in consultation with the Attorney General, the Department of State's Attorneys and Sheriffs, the Office of the Defender General, and the Department of Corrections, shall examine the laws and procedures of other states regarding petitionless sealing of criminal history records and shall submit to the House and Senate Committees on Judiciary a recommendation to establish a mechanism for petitionless sealing and any resources required for the recommendation to be implemented.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

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

"An act relating to studies of policies and procedures regarding the sealing criminal history records."

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.

Message from the House No. 57

A message was received from the House of Representatives by Ms. Courtney Reckord, 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 entitled:

H. 546. An act relating to administrative and policy changes to tax laws.

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

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

Rep. Kornheiser of Brattleboro

Rep. Demrow of Corinth

Rep. Andrews of Westford.

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

H. 629. An act relating to changes to property tax abatement and tax sales.

And has concurred therein.

Committee of Conference Appointed**H. 546**

An act relating to administrative and policy changes to tax laws

Was taken up.

Pursuant to the request of the House, the President announced the appointment of:

Senator Cummings

Senator MacDonald

Senator Chittenden

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

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock in the forenoon on Thursday, May 2, 2024.

THURSDAY, MAY 2, 2024

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Rules Suspended; Bill Committed**H. 877.**

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

An act relating to miscellaneous agricultural subjects.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Agriculture, Senator Starr moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Natural Resources and Energy with the report of the Committee on Agriculture *intact*,

Which was agreed to.

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. 72. An act relating to a harm-reduction criminal justice response to drug use.

H. 173. An act relating to prohibiting manipulating a child for the purpose of sexual contact.

H. 655. An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records.

Proposal of Amendment; Third Reading Ordered**H. 661.**

Senator Hardy, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to child abuse and neglect investigation and substantiation standards and procedures.

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. 33 V.S.A. § 4903 is amended to read:

§ 4903. RESPONSIBILITY OF DEPARTMENT

The Department may expend, within amounts available for the purposes, what is necessary to protect and promote the welfare of children and adults in this State, including the strengthening of their homes whenever possible, by:

(1) Investigating complaints of neglect, abuse, or abandonment of children, including when, whether, and how names are placed on the Child Protection Registry.

* * *

Sec. 2. 33 V.S.A. § 4911 is amended to read:

§ 4911. PURPOSE

The purpose of this subchapter is to:

(1) protect children whose health and welfare may be adversely affected through abuse or neglect;

(2) strengthen the family and make the home safe for children whenever possible by enhancing the parental capacity for good child care;

(3) provide a temporary or permanent nurturing and safe environment for children when necessary; and for these purposes require the reporting of suspected child abuse and neglect, an assessment or investigation of such reports and provision of services, when needed, to such child and family;

(4) establish a range of responses to child abuse and neglect that take into account different degrees of child abuse or neglect and that recognize that child offenders should be treated differently from adults; ~~and~~

(5) establish a tiered child protection registry that balances the need to protect children and the potential employment consequences of a registry record for ~~persons who are~~ a person's conduct that is substantiated for child abuse and neglect; and

(6) ensure that in the Department for Children and Families' efforts to protect children from abuse and neglect, the Department also ensures that investigations are thorough, unbiased, based on accurate and reliable information weighed against other supporting or conflicting information, and adhere to due process requirements.

Sec. 3. 33 V.S.A. § 4912 is amended to read:

§ 4912. DEFINITIONS

As used in this subchapter:

* * *

(16) “Substantiated report” means that the Commissioner or the Commissioner’s designee has determined after investigation that a report is based upon accurate and reliable information ~~that would lead a reasonable person to believe~~ where there is a preponderance of the evidence necessary to support the allegation that the child has been abused or neglected.

* * *

Sec. 4. 33 V.S.A. § 4915b is amended to read:

§ 4915b. PROCEDURES FOR INVESTIGATION

(a) An investigation, to the extent that it is reasonable under the facts and circumstances presented by the particular allegation of child abuse, shall include all of the following:

(1) A visit to the child’s place of residence or place of custody and to the location of the alleged abuse or neglect.

(2) An interview with or observation of the child reportedly having been abused or neglected. If the investigator elects to interview the child, that interview may take place without the approval of the child’s parents, guardian, or custodian, provided that it takes place in the presence of a disinterested adult who may be, but shall not be limited to being, a teacher, a member of the clergy, a child care provider regulated by the Department, or a nurse.

(3) Determination of the nature, extent, and cause of any abuse or neglect.

(4) Determination of the identity of the person alleged to be responsible for such abuse or neglect. The investigator shall use best efforts to obtain the person’s mailing and e-mail address as soon as practicable once the person’s identity is determined. The person shall be notified of the outcome of the investigation and any notices sent by the Department using the mailing address, or if requested by the person, to the person’s e-mail address collected pursuant to this subdivision.

(5)(A) The identity, by name, of any other children living in the same home environment as the subject child. The investigator shall consider the physical and emotional condition of those children and may interview them, unless the child is the person who is alleged to be responsible for such abuse

or neglect, in accordance with the provisions of subdivision (2) of this subsection (a).

(B) The identity, by name, of any other children who may be at risk if the abuse was alleged to have been committed by someone who is not a member of the subject child's household. The investigator shall consider the physical and emotional condition of those children and may interview them, unless the child is the person who is alleged to be responsible for such abuse or neglect, in accordance with the provisions of subdivision (2) of this subsection (a).

(6) A determination of the immediate and long-term risk to each child if that child remains in the existing home or other environment.

(7) Consideration of the environment and the relationship of any children therein to the person alleged to be responsible for the suspected abuse or neglect.

(8) All other data deemed pertinent, including any interviews of witnesses made known to the Department.

(b) For cases investigated and substantiated by the Department, the Commissioner shall, to the extent that it is reasonable, provide assistance to the child and the child's family. For cases investigated but not substantiated by the Department, the Commissioner may, to the extent that it is reasonable, provide assistance to the child and the child's family. Nothing contained in this section or section 4915a of this title shall be deemed to create a private right of action.

* * *

Sec. 5. 33 V.S.A. § 4916 is amended to read:

§ 4916. CHILD PROTECTION REGISTRY

(a)(1) The Commissioner shall maintain a Child Protection Registry that shall contain a record of all investigations that have resulted in a substantiated report on or after January 1, 1992. Except as provided in subdivision (2) of this subsection, prior to placement of a substantiated report on the Registry, the Commissioner shall comply with the procedures set forth in section 4916a of this title.

(2) In cases involving sexual abuse or serious physical abuse of a child, the Commissioner in ~~his or her~~ the Commissioner's sole judgment may list a substantiated report on the Registry pending any administrative review after:

- (A) reviewing the investigation file; and
- (B) making written findings in consideration of:

- (i) the nature and seriousness of the alleged behavior; and
- (ii) the person's continuing access to children.

(3) A person alleged to have abused or neglected a child and whose name has been placed on the Registry in accordance with subdivision (2) of this subsection shall be notified of the Registry entry, provided with the Commissioner's findings, and advised of the right to seek an administrative review in accordance with section 4916a of this title.

(4) If the name of a person has been placed on the Registry in accordance with subdivision (2) of this subsection, it shall be removed from the Registry if the substantiation is rejected after an administrative review.

(b) A Registry record means an entry in the Child Protection Registry that consists of the name of an individual whose conduct is substantiated for child abuse or neglect, the date of the finding, the nature of the finding, and at least one other personal identifier, other than a name, listed in order to avoid the possibility of misidentification.

(c) The Commissioner shall adopt rules pursuant to 3 V.S.A. chapter 25 to permit use of the Registry records as authorized by this subchapter while preserving confidentiality of the Registry and other Department records related to abuse and neglect.

(d) For all substantiated reports of child abuse or neglect made on or after the date the final rules are adopted, the Commissioner shall create a Registry record that reflects a designated child protection level related to the risk of future harm to children. This system of child protection levels shall be based upon an evaluation of the risk the person responsible for the abuse or neglect poses to the safety of children. The risk evaluation shall include consideration of the following factors:

- (1) the nature of the conduct and the extent of the child's injury, if any;
- (2) the person's prior history of child abuse or neglect as either a victim or perpetrator;
- (3) the person's response to the investigation and willingness to engage in recommended services; and
- (4) the person's age and developmental maturity.

(e) The Commissioner shall ~~develop~~ adopt rules for the implementation of a system of Child Protection Registry levels for substantiated cases pursuant to 3 V.S.A. chapter 25. The rules shall address:

- (1) when, whether, and how names are placed on the Registry;

(2) standards for determining a child protection level designation;

(3) the length of time a person's name appears on the Registry prior to seeking expungement;

~~(2)~~(4) when and how names are expunged from the Registry;

~~(3)~~(5) whether the person is a juvenile or an adult;

~~(4)~~(6) whether the person was charged with or convicted of a criminal offense arising out of the incident of abuse or neglect; and

~~(5)~~(7) whether a Family Division of the Superior Court has made any findings against the person.

(f) [Repealed.]

Sec. 6. 33 V.S.A. § 4916a is amended to read:

§ 4916a. CHALLENGING PLACEMENT ON THE REGISTRY
SUBSTANTIATION

(a) If an investigation conducted in accordance with section 4915b of this title results in a determination that a report of child abuse or neglect should be substantiated, the Department shall notify the person alleged to have abused or neglected a child of the following:

(1) the nature of the substantiation decision, and that the Department intends to enter the record of the substantiation into the Registry;

(2) who has access to Registry information and under what circumstances;

(3) the implications of having one's name placed on the Registry as it applies to employment, licensure, and registration;

(4) the Registry child protection level designation to be assigned to the person and the date that the person is eligible to seek expungement based on the designation level;

(5) the right to request a review of the substantiation determination by an administrative reviewer; the time in which the request for review shall be made; and the consequences of not seeking a review; ~~and~~

~~(5)~~(6) the right to receive a copy of the Commissioner's written findings made in accordance with subdivision 4916(a)(2) of this title if applicable; and

(7) ways to contact the Department for any further information.

(b) Under this section, notice by the Department to a person alleged to have abused or neglected a child shall be by first-class mail sent to the person's last known mailing address, or if requested by the person, to the

person's e-mail address collected during the Department's investigation pursuant to subdivision 4915b(a)(4) of this title. The Department shall maintain a record of the notification, including who sent the notification, the date it is sent, and the address to which it is sent.

(c)(1) ~~A person alleged to have abused or neglected a child~~ whose conduct is the subject of a substantiation determination may seek an administrative review of the Department's ~~intention to place the person's name on the Registry~~ determination by notifying the Department within ~~14~~ 30 days ~~of~~ after the date the Department ~~mailed~~ sent notice of the right to review in accordance with subsections (a) and (b) of this section. The Commissioner may grant an extension past the ~~14-day~~ 30-day period for good cause, not to exceed ~~28~~ 60 days after the Department has ~~mailed~~ sent notice of the right to review.

(2) The administrative review may be stayed upon request of the person ~~alleged to have committed abuse or neglect~~ whose conduct is the subject of a substantiation determination if there is a related case pending in the Criminal or Family Division of the Superior Court that arose out of the same incident of abuse or neglect for which the ~~person~~ person's conduct was substantiated ~~or led to placement on the Registry~~. During the period the review is stayed, the person's name shall be placed on the Registry. Upon resolution of the Superior Court criminal or family case, the person may exercise ~~his or her~~ the person's right to review under this section by notifying the Department in writing within 30 days after the related court case, including any appeals, has been fully adjudicated. If the person fails to notify the Department within 30 days, the Department's decision shall become final and no further review under this subsection is required.

(d)(1) ~~The~~ Except as provided in this subsection, the Department shall ~~hold~~ schedule an administrative review conference within ~~35~~ 60 days ~~of~~ after receipt of the request for review. At least ~~10~~ 20 days prior to the administrative review conference, the Department shall provide to the person requesting review a copy of the redacted investigation file, which shall contain sufficient unredacted information to describe the allegations and the evidence relied upon as the basis of the substantiation, notice of time and place of the conference, and conference procedures, including information that may be submitted and mechanisms for providing information. There shall be no subpoena power to compel witnesses to attend a Registry review conference. The Department shall also provide to the person those redacted investigation files that relate to prior investigations that the Department has relied upon to make its substantiation determination in the case in which a review has been requested. If an administrative review conference is not held within 60 days after receipt of the request to review, due to good cause shown, an extension

may be authorized by the Commissioner or designee in which the basis of the failure is explained.

(2) The Department may elect to not hold an administrative review conference when a person who has requested a review does not respond to Department requests to schedule the review meeting or does not appear for the scheduled review meeting. In these circumstances, unless good cause is shown, the Department's substantiation shall be accepted and the person's name shall be placed on the Registry, if applicable. Upon the Department's substantiation being accepted, the Department shall provide notice that advises the person of the right to appeal the substantiation determination to the Human Services Board pursuant to section 4916b of this title.

(e) At the administrative review conference, the person who requested the review shall be provided with the opportunity to present documentary evidence or other information that supports ~~his or her~~ the person's position and provides information to the reviewer in making the most accurate decision regarding the allegation. The Department shall have the burden of proving ~~that it has accurately and reliably concluded that a reasonable person would believe by a preponderance of the evidence~~ that the child has been abused or neglected by that person. Upon the person's request or during a declared state of emergency in Vermont, the conference may be held by teleconference through a live, interactive, audio-video connection or by telephone.

(f) The Department shall establish an administrative case review unit within the Department and contract for the services of administrative reviewers. An administrative reviewer shall be a neutral and independent arbiter who has no prior involvement in the original investigation of the allegation. Department information pertaining to the investigation that is obtained by the reviewer outside of the review meeting shall be disclosed to the person seeking the review.

(g) Within seven days ~~of~~ after the conference, the administrative reviewer shall:

- (1) reject the Department's substantiation;
- (2) accept the Department's substantiation; or
- (3) place the substantiation determination on hold and direct the Department to further investigate the case based upon recommendations of the reviewer.

(h) If the administrative reviewer accepts the Department's substantiation, a Registry record shall be made immediately. If the reviewer rejects the Department's substantiation, no Registry record shall be made.

(i) Within seven days ~~of~~ after the decision to reject ~~or~~, accept, or to place the substantiation on hold in accordance with subsection (g) of this section, the administrative reviewer shall provide notice to the person of ~~his or her~~ the reviewer's decision to the most recent address provided by the person. If the administrative reviewer accepts the Department's substantiation the notice shall advise the person of the right to appeal the administrative reviewer's decision to the human services board in accordance with section 4916b of this title.

* * *

Sec. 7. 33 V.S.A. § 4916b is amended to read:

§ 4916b. HUMAN SERVICES BOARD HEARING

(a) Within 30 days after the date on which the administrative reviewer ~~mailed~~ sent notice ~~of placement of a report on the Registry~~, the person who is the subject of the substantiation may apply in writing to the Human Services Board for relief. The Board shall hold a fair hearing pursuant to 3 V.S.A. § 3091. When the Department receives notice of the appeal, it shall make note in the Registry record that the substantiation has been appealed to the Board.

* * *

Sec. 8. 33 V.S.A. § 4916c is amended to read:

§ 4916c. PETITION FOR EXPUNGEMENT FROM THE REGISTRY

(a)(1) ~~Except as provided in this subdivision Pursuant to rules adopted in accordance with subsection 4916(e) of this title, a person whose name has been placed on the Registry prior to July 1, 2009 and has been listed on the Registry for at least three years may file a written request with the Commissioner, seeking a review for the purpose of expunging an individual Registry record. A person whose name has been placed on the Registry on or after July 1, 2009 and has been listed on the Registry for at least seven years may file a written request with the Commissioner seeking a review for the purpose of expunging an individual Registry record. The Commissioner shall grant a review upon an eligible person's request.~~

(2) A person who is required to register as a sex offender on the State's Sex Offender Registry shall not be eligible to petition for expungement of ~~his or her~~ the person's Registry record until the person is no longer subject to Sex Offender Registry requirements.

(b)(1) The person shall have the burden of proving that a reasonable person would believe that ~~he or she~~ the person no longer presents a risk to the safety or well-being of children.

(2) The Commissioner shall consider the following factors in making ~~his or her~~ a determination:

(A) the nature of the substantiation that resulted in the person's name being placed on the Registry;

(B) the number of substantiations;

(C) the amount of time that has elapsed since the substantiation;

(D) the circumstances of the substantiation that would indicate whether a similar incident would be likely to occur;

(E) any activities that would reflect upon the person's changed behavior or circumstances, such as therapy, employment, or education;

(F) references that attest to the person's good moral character; and

(G) any other information that the Commissioner deems relevant.

(3) The Commissioner may deny a petition for expungement based solely on subdivision (2)(A) or (2)(B) of this subsection. The Commissioner's decision to deny an expungement petition shall contain information about how to prepare for future expungement requests.

(c) At the review, the person who requested the review shall be provided with the opportunity to present any evidence or other information, including witnesses, that supports ~~his or her~~ the person's request for expungement. Upon the person's request or during a declared state of emergency in Vermont, the conference may be held ~~by teleconference~~ through a live, interactive, audio-video connection or by telephone.

(d) A person may seek a review under this section ~~no~~ not more than once every 36 months.

(e) Within 30 days ~~of~~ after the date on which the Commissioner ~~mailed sent~~ notice of the decision pursuant to this section, a person may appeal the decision to the Human Services Board. The person shall be prohibited from challenging ~~his or her~~ the substantiation at such hearing, and the sole ~~issue~~ issues before the Board shall be whether the Commissioner abused ~~his or her~~ the Commissioner's discretion in ~~denial~~ of denying the petition for expungement. The hearing shall be on the record below, and determinations of credibility of witnesses made by the Commissioner shall be given deference by the Board.

* * *

Sec. 9. 33 V.S.A. § 4916d is amended to read:

§ 4916d. AUTOMATIC EXPUNGEMENT OF REGISTRY RECORDS

Registry entries concerning a person ~~who~~ whose conduct was substantiated for behavior occurring before the person reached 10 years of age shall be expunged when the person reaches ~~the age of 18 years of age~~, provided that the person has had no additional substantiated Registry entries. ~~A person substantiated for behavior occurring before the person reached 18 years of age and whose name has been listed on the Registry for at least three years may file a written request with the Commissioner seeking a review for the purpose of expunging an individual Registry record in accordance with section 4916e of this title.~~

Sec. 10. 33 V.S.A. § 4922 is amended to read:

§ 4922. RULEMAKING

~~(a) The Commissioner shall develop rules to implement this subchapter. On or before September 1, 2025, the Commissioner shall file proposed rules pursuant to 3 V.S.A. chapter 25 implementing the provisions of this subchapter to become effective on April 1, 2026.~~ These shall include:

- (1) rules setting forth criteria for determining whether to conduct an assessment or an investigation;
- (2) rules setting out procedures for assessment and service delivery;
- (3) rules outlining procedures for investigations;
- (4) rules for conducting the administrative review conference;
- (5) rules regarding access to and maintenance of Department records of investigations, assessments, reviews, and responses; ~~and~~
- (6) rules regarding the tiered Registry as required by section 4916 of this title;
- (7) rules requiring notice and appeal procedures for alternatives to substantiation; and
- (8) rules implementing subsections 4916(c) and (e) of this title.

* * *

Sec. 11. CHILD ABUSE AND NEGLECT; INTERVIEWS; CAPABILITIES;
REPORT

(a) On or before November 15, 2024, the Department for Children and Families shall submit a written report to the Senate Committee on Health and Welfare and the House Committee on Human Services examining the Department's capabilities and resources necessary to safely, securely, and

confidentially store any interviews recorded during a child abuse and neglect investigation.

(b) The report required pursuant to subsection (a) of this section shall include the Department's proposed model policy detailing the types of interviews that should be recorded and the storage, safety, and confidentiality requirements of such interviews.

Sec. 12. CHILD ABUSE AND NEGLECT; SUBSTANTIATION
RECOMMENDATIONS AND CATEGORIES; RULEMAKING;
REPORT

(a) On or before October 1, 2025, the Department for Children and Families, in consultation with the Secretary of Human Services, the Agency of Education, the Department of Mental Health, the Vermont Parent Representation Center, and Voices for Vermont's Children, shall submit a written report to the Senate Committee on Health and Welfare and the House Committee on Human Services on the progress towards:

(1) establishing a centralized internal substantiation determination process;

(2) rules establishing substantiation categories that require entry onto the Registry and alternatives to substantiation that do not require entry onto the Registry;

(3) rules creating procedures for how substantiation recommendations are made by the Department district offices and how substantiation determinations are made by the Department central office.

(b) The report required pursuant to subsection (a) of this section shall include legislative recommendations, if any.

(c) On or after January 15, 2026, the Department of Children and Families shall present the report required pursuant subsection (a) of this section to the Senate Committee on Health and Welfare and the House Committee on Human Services.

Sec. 13. EFFECTIVE DATE

This act shall take effect on September 1, 2024.

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

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

Proposal of Amendment; Third Reading Ordered**H. 847.**

Senator Gulick, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to peer support provider and recovery support specialist certification.

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

Sec. 1. 3 V.S.A. § 122 is amended to read:

§ 122. OFFICE OF PROFESSIONAL REGULATION

The Office of Professional Regulation is created within the Office of the Secretary of State. The Office shall have a director who shall be qualified by education and professional experience to perform the duties of the position. The Director of the Office of Professional Regulation shall be a classified position with the Office of the Secretary of State. The following boards or professions are attached to the Office of Professional Regulation:

* * *

(52) Peer support providers

(53) Peer recovery support specialists

Sec. 2. 3 V.S.A. § 123 is amended to read:

§ 123. DUTIES OF OFFICE

* * *

(j)(1) The Office may inquire into the criminal background histories of applicants for initial licensure and for license renewal of any Office-issued credential, including a license, certification, registration, or specialty designation for the following professions:

* * *

(I) speech-language pathologists licensed under 26 V.S.A. chapter 87; and

(J) peer support providers and peer recovery support specialists certified under 26 V.S.A. chapter 60; and

(K) individuals registered on the roster of psychotherapists who are nonlicensed and noncertified.

* * *

Sec. 3. 3 V.S.A. § 125 is amended to read:

§ 125. FEES

* * *

(b) Unless otherwise provided by law, the following fees shall apply to all professions regulated by the Director in consultation with advisor appointees under Title 26:

* * *

(2) Application for licensure or certification, \$115.00, except application for:

* * *

(Q) Peer support providers or peer recovery support specialists, \$50.00.

* * *

(4) Biennial renewal, \$275.00, except biennial renewal for:

* * *

(V) Peer support provider or peer recovery support specialist, \$50.00.

* * *

Sec. 3a. 3 V.S.A. § 125 is amended to read:

§ 125. FEES

* * *

(b) Unless otherwise provided by law, the following fees shall apply to all professions regulated by the Director in consultation with advisor appointees under Title 26:

* * *

(2) Application for licensure or certification, \$115.00, except application for:

* * *

(Q) Peer support providers or peer recovery support specialists, \$50.00 ~~\$75.00.~~

* * *

Sec. 4. 26 V.S.A. chapter 60 is added to read:

CHAPTER 60. PEER SUPPORT PROVIDERS AND PEER RECOVERY
SUPPORT SPECIALISTS

§ 3191. DEFINITIONS

As used in this chapter:

(1) “Certified peer support provider” means an individual who holds a certificate to engage in the practice of peer support services under this chapter.

(2) “Certified peer recovery support specialist” means an individual who holds a certificate to engage in the practice of recovery support services under this chapter.

(3) “Code of Ethics for Certified Peer Support Providers” means the code of ethics for certified peer support providers approved and adopted by the Department of Mental Health.

(4) “Code of Ethics for Certified Peer Recovery Support Specialists” means the code of ethics for certified peer recovery support specialists approved and adopted by the Department of Health.

(5) “Office” means the Office of Professional Regulation.

(6) “Peer support provider credentialing body” means the entity authorized by the Department of Mental Health to, in addition to other duties:

(A) issue credentials to peer support providers to demonstrate that a peer support provider has met the qualifications for certification under the chapter; and

(B) approve acceptable continuing education courses.

(7) “Peer support” means the provision of those services that address mutually agreeable issues or areas of life consistent with the Code of Ethics for Certified Peer Support Providers that are reasonably related to increasing an individual’s capacity to live a self-determined life of their own choosing and that are provided in a mutual relationship between individuals with a lived experience of trauma, mental health, or substance use challenges. “Peer support” emphasizes a nonjudgmental, values-driven approach that promotes multiple perspectives, advocates for human rights and dignity, and focuses on genuine, mutual relationships that enrich the lives of those involved. “Peer support” includes providing health and wellness supports; supporting individuals in accessing community-based resources and navigating State and local systems; providing employment supports, including transitioning into and staying in the workforce; and promoting empowerment and a sense of

hope through self-advocacy. “Peer support” does not include the provision of psychotherapy as defined in section 4082 of this title.

(8) “Practice of peer support” means the provision of peer support in a manner consistent with the Code of Ethics for Certified Peer Support Providers.

(9) “Practice of recovery support services” means the provision of recovery support services in a manner consistent with the Code of Ethics for Certified Peer Recovery Support Specialists.

(10) “Recovery support services” means a set of culturally competent, nonclinical, evidence-based activities provided consistent with the Code of Ethics for Certified Peer Recovery Support Specialists and coordinated through a written individualized recovery plan of care that documents a substance use disorder and reflects the need and preferences of the individual in achieving the specific, individualized, measurable goals specified in the plan. “Recovery support services” are provided in a mutual relationship by an individual with lived experience of either recovery from a substance use disorder or having a close relationship with an individual in recovery from a substance use disorder, and include a range of social and other services that facilitate recovery from substance use disorder, support health and wellness, and link individuals with service providers and other supports shown to improve quality of life for persons, and their families, in and seeking recovery from substance use. “Recovery support services” do not include the provision of psychotherapy as defined in section 4082 of this title.

(11) “Peer recovery support specialist credentialing body” means the entity authorized by the Department of Health to, in addition to other duties:

(A) issue credentials to peer recovery support specialists to demonstrate that a peer recovery support specialist has met qualifications for certification under this chapter; and

(B) approve acceptable continuing education courses.

§ 3192. PROHIBITIONS; PENALTIES

(a) Nothing in this subchapter shall be construed to prohibit the practice of peer support by a noncertified provider. However, a person shall not use in connection with the person’s name any letters, words, or insignia indicating or implying that the person is a certified peer support provider unless that person is certified in accordance with this chapter.

(b) Nothing in this subchapter shall be construed to prohibit the practice of recovery support services by a noncertified provider. However, a person shall not use in connection with person’s name any letters, words, or insignia

indicating or implying that the person is a certified peer recovery support specialist unless that person is certified in accordance with this chapter.

(c) A person who violates this section shall be subject to the penalties provided in 3 V.S.A. § 127(c).

§ 3193. DUTIES OF THE DIRECTOR

(a) The Director shall:

(1) provide general information to applicants for certification as certified peer support providers or certified peer recovery support specialists, or both;

(2) receive applicants for certification; grant and renew certifications in accordance with this chapter; and deny, revoke, suspend, reinstate, or condition certifications as directed by an administrative law officer;

(3) explain appeal procedures to certified peer support providers, certified peer recovery support specialists, and applicants;

(4) explain complaint procedures to the public;

(5) administer fees collected in accordance with this chapter and 3 V.S.A. § 125; and

(6) refer all disciplinary matters to an administrative law officer established under 3 V.S.A. § 129(j).

(b) After consultation with the Commissioners of Health and of Mental Health, the Director shall adopt and amend rules as necessary pursuant to 3 V.S.A. chapter 25 to perform the Director's duties under this chapter.

§ 3194. ADVISOR APPOINTEES

(a)(1) After consultation with the Commissioners of Health and of Mental Health, the Secretary of State shall appoint two certified peer support providers, two certified peer recovery support specialists, one representative from the Department of Health, and one representative from the Department of Mental Health to serve as advisors to the Director in matters relating to peer support and recovery support. Advisors shall be appointed to five-year staggered terms to serve as advisors in matters related to the administration of this chapter. At least one of the initial appointments shall be less than a five-year term.

(2) A certified peer support provider serving as an advisor shall:

(A) have at least three years' experience as a peer support provider immediately preceding appointment;

(B) be certified as a peer support provider in Vermont at the time of appointment and during incumbency; and

(C) remain actively engaged in the practice of peer support in this State during incumbency.

(3) A certified peer recovery support specialist serving as an advisor shall:

(A) be certified as a peer recovery support specialist in Vermont at the time of appointment and during incumbency; and

(B) remain actively engaged in the practice of recovery support services in this State during incumbency.

(b) The Director shall seek the advice of the advisor appointees in carrying out the provisions of this chapter. Advisors who are not employed by the State shall be entitled to compensation and necessary expenses in the amount provided in 32 V.S.A. § 1010 for attendance at any meeting called by the Director for this purpose.

§ 3195. ELIGIBILITY

(a) To be eligible for certification as a certified peer support provider, an applicant shall complete and submit an application in the manner as the Director prescribes in rule, accompanied by the applicable fees, and evidence satisfactory to the Director that the applicant:

(1) is at least 18 years of age;

(2) has received a credential from the peer support provider credentialing body; and

(3) has passed registry checks and criminal history checks that may be required in rule.

(b) To be eligible for certification as a peer recovery support specialist, an applicant shall complete and submit an application in the manner as the Director prescribes by the rule, accompanied by the applicable fees, and evidence satisfactory to the Director that the applicant:

(1) is at least 18 years of age;

(2) has received a credential from the peer recovery support specialist credentialing body; and

(3) has passed registry checks and criminal history checks that may be required in rule.

§ 3196. CERTIFICATE RENEWAL

A peer support specialist provider certification and a peer recovery support specialist certification shall be renewed every two years upon application, payment of the required fee in accordance with 3 V.S.A. § 125, and proof of compliance with such continuing education or periodic reexamination requirements established in rule. The fee shall be paid biennially upon renewal.

§ 3197. UNPROFESSIONAL CONDUCT

(a) Unprofessional conduct means misusing a title in professional activity and any of the conduct listed in 3 V.S.A. § 129a, whether committed by a certified peer support provider, a certified peer recovery support specialist, or an applicant.

(b) The Office may discipline a certified peer support provider or a certified peer recovery support specialist for unprofessional conduct as provided in 3 V.S.A. § 129a.

Sec. 5. RULEMAKING; PEER SUPPORT PROVIDERS AND PEER RECOVERY SUPPORT SPECIALISTS

On or before September 1, 2024, the Director of Professional Regulation shall file an initial proposed rule with the Secretary of State pursuant to 3 V.S.A. § 836(a)(2) for the purposes of carrying out the provisions of 26 V.S.A. chapter 60.

Sec. 6. EFFECTIVE DATES

This act shall take effect on July 1, 2025, except:

(1) this section and Sec. 5 (rulemaking; peer support providers and peer recovery support specialists) shall take effect on passage; and

(2) Sec. 3a (fees) shall take effect on July 1, 2027.

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

An act relating to peer support provider and peer recovery support specialist certification

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

Senator MacDonald, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence when so amended.

Senator Lyons, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence when so amended.

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.

House Proposal of Amendment Concurred In with Further Proposal of Amendment

S. 209.

House proposal of amendment to Senate bill entitled:

An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers.

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. chapter 85 is amended to read:

CHAPTER 85. WEAPONS

* * *

Subchapter 4. Unserialized Firearms and Firearms Frames and Receivers

§ 4081. SHORT TITLE

This subchapter shall be known as the “Vermont Ghost Guns Act.”

§ 4082. DEFINITIONS

As used in this subchapter:

(1) “Federal firearms licensee” means a federally licensed firearm dealer, federally licensed firearm importer, and federally licensed firearm manufacturer.

(2) “Federally licensed firearm dealer” means a licensed dealer as defined in 18 U.S.C. § 921(a)(11).

(3) “Federally licensed firearm importer” means a licensed importer as defined in 18 U.S.C. § 921(a)(9).

(4) “Federally licensed firearm manufacturer” means a licensed manufacturer as defined in 18 U.S.C. § 921(a)(10).

(5) “Fire control component” means a component necessary for the firearm to initiate, complete, or continue the firing sequence, including any of

the following: hammer, bolt, bolt carrier, breechblock, cylinder, trigger mechanism, firing pin, striker, or slide rails.

(6) “Frame or receiver of a firearm” means a part of a firearm that, when the complete firearm is assembled, is visible from the exterior and provides housing or a structure designed to hold or integrate one or more fire control components, even if pins or other attachments are required to connect the fire control components. Any part of a firearm imprinted with a serial number is presumed to be a frame or receiver of a firearm unless the Federal Bureau of Alcohol, Tobacco, Firearms and Explosives makes an official determination otherwise or there is other reliable evidence to the contrary.

(7) “Three-dimensional printer” means a computer-aided manufacturing device capable of producing a three-dimensional object from a three-dimensional digital model through an additive manufacturing process that involves the layering of two-dimensional cross sections formed of a resin or similar material that are fused together to form a three-dimensional object.

(8) “Unfinished frame or receiver” means any forging, casting, printing, extrusion, machined body, or similar article that has reached a stage in manufacture when it may readily be completed, assembled, or converted to be used as the frame or receiver of a functional firearm or that is marketed or sold to the public to become or be used as the frame or receiver of a functional firearm once completed, assembled, or converted.

(9) “Violent crime” has the same meaning as in section 4017 of this title.

§ 4083. UNLAWFUL CONDUCT INVOLVING UNSERIALIZED FIREARMS, FRAMES, AND RECEIVERS

(a)(1) A person shall not knowingly possess an unfinished frame or receiver unless the unfinished frame or receiver has been imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) A person shall not knowingly transfer or offer to transfer an unfinished frame or receiver unless the unfinished frame or receiver has been imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(3) This subsection shall not apply to:

(A) a federal firearms licensee acting within the scope of the licensee’s license;

(B) possession or transfer of an unfinished frame or receiver for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title; or

(C) an unfinished frame or receiver transferred to or possessed by a law enforcement officer for legitimate law enforcement purposes.

(b)(1) A person shall not knowingly possess a firearm or frame or receiver of a firearm that is not imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) A person shall not knowingly transfer or offer to transfer a firearm or frame or receiver of a firearm that is not imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(3) This subsection shall not apply to:

(A) a federal firearms licensee acting within the scope of the licensee's license;

(B) possession or transfer of a firearm or frame or receiver of a firearm for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title;

(C) an unserialized frame or receiver transferred to or possessed by a law enforcement officer for legitimate law enforcement purposes;

(D) an antique firearm as defined in subsection 4017(d) of this title;

(E) a firearm that has been rendered permanently inoperable; or

(F) a firearm that was manufactured before 1968.

(c)(1) A person who manufactures a firearm or frame or receiver of a firearm, including by a three-dimensional printer, shall cause the firearm, frame, or receiver to be imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) This subsection shall not apply to:

(A) a federally licensed firearms manufacturer acting within the scope of the manufacturer's license; or

(B) possession or transfer of a firearm or frame or receiver of a firearm for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title.

(d)(1) A person who violates subdivision (a)(1) or (b)(1) of this section shall be:

(A) for a first offense, assessed a civil penalty of not more than \$50.00;

(B) for a second offense, assessed a civil penalty of not more than \$250.00; and

(C) for a third or subsequent offense, assessed a civil penalty of not more than \$500.00.

(2) A person who violates subdivision (a)(2), (b)(2), or (c)(1) of this section shall be:

(A) for a first offense, imprisoned for not more than one year or fined not more than \$500.00, or both;

(B) for a second offense, imprisoned for not more than two years or fined not more than \$1,000.00, or both; and

(C) for a third or subsequent offense, imprisoned for not more than three years or fined not more than \$2,000.00, or both.

(3) A person who carries an unserialized firearm while committing a violent crime, or while committing reckless endangerment in violation of section 1025 of this title, shall be imprisoned for not more than five years or fined not more than \$5,000.00, or both.

§ 4084. FEDERAL FIREARMS LICENSEES; AUTHORITY TO SERIALIZE FIREARMS, FRAMES, AND RECEIVERS

(a)(1) A federal firearms licensee may imprint a serial number on, or cause a serial number to be imprinted on, an unserialized firearm or frame or receiver of a firearm pursuant to this section.

(2) A licensee who causes a serial number to be imprinted on an unserialized firearm or frame or receiver of a firearm pursuant to subdivision (1) of this subsection shall:

(A) ensure that the firearm, frame, or receiver remains in the custody and control of the licensee and is returned to the licensee immediately after it is serialized; and

(B) otherwise comply with the requirements of this section.

(b)(1) A firearm, frame, or receiver serialized pursuant to this section shall be imprinted with a serial number that begins with the licensee's abbreviated federal firearms license number, which is the first three and last five digits of the license number, and is followed by a hyphen that precedes a unique identification number. The serial number shall not be duplicated on any other firearm, frame, or receiver serialized by the licensee and shall be imprinted in

a manner that complies with the requirements under federal law for affixing serial numbers to firearms, including that the serial number be at the minimum size and depth and not susceptible to being readily obliterated, altered, or removed.

(2) A licensee who serializes or causes to be serialized a firearm, frame, or receiver pursuant to this section shall make and retain records of the serialization that comply with the requirements under federal law for the sale of a firearm. In addition to any record required by federal law, the record shall include the date, name, age, and residence of any person to whom the item is transferred and the unique serial number imprinted on the firearm, frame, or receiver.

(3) A licensee shall not be deemed a firearms manufacturer solely for serializing a firearm, frame, or receiver pursuant to this section.

(c) Returning a firearm, frame, or receiver to a person other than a licensee after it has been serialized pursuant to federal law or this section constitutes a transfer that requires a background check of the transferee. A federal licensee who serializes or causes to be serialized a firearm, frame, or receiver pursuant to this section shall conduct a background check on the transferee pursuant to subsection 4019(c) of this title, provided that if the transfer is denied, the licensee shall deliver the firearm, frame, or receiver to a law enforcement agency for disposition. The agency shall provide the licensee with a receipt on agency letterhead for the firearm, frame, or receiver.

(d) A licensee who violates subsection (b) or (c) of this section shall:

(1) for a first offense, be fined not more than \$2,500.00; and

(2) for a second or subsequent offense, be imprisoned for not more than one year or fined not more than \$2,500.00, or both.

Sec. 2. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

* * *

(33) Violations of 13 V.S.A. § 4083(a)(1) or (b)(1) relating to possessing a firearm, frame or receiver of a firearm, or unfinished frame or receiver of a firearm that is not imprinted with a serial number.

* * *

Sec. 3. 13 V.S.A. § 4019a is amended to read:

§ 4019a. FIREARMS TRANSFERS; WAITING PERIOD

(a) A person shall not transfer a firearm to another person until 72 hours after the licensed dealer facilitating the transfer is provided with a unique identification number for the transfer by the National Instant Criminal Background Check System (NICS) or seven business days have elapsed since the dealer contacted NICS to initiate the background check, whichever occurs first.

(b) A person who transfers a firearm to another person in violation of subsection (a) of this section shall be imprisoned not more than one year or fined not more than \$500.00, or both.

(c) This section shall not apply to a firearm transfer that does not require a background check under 18 U.S.C. § 922(t) or section 4019 of this title.

(d) As used in this section, “firearm” has the same meaning as in subsection 4017(d) of this title.

(e)(1) This section shall not apply to a firearms transfer at a gun show.

(2) As used in this subsection, “gun show” means a function sponsored by:

(A) a national, state, or local organization, devoted to the collection, competitive use, or other sporting use of firearms; or

(B) an organization or association that sponsors functions devoted to the collection, competitive use, or other sporting use of firearms in the community.

(3) This subsection shall be repealed on ~~July 1, 2024~~ July 1, 2025.

(f) This section shall not apply to the return of a firearm, frame, or receiver to a person by a licensed dealer after the dealer has serialized it pursuant to federal law or section 4084 of this title if the dealer returns the firearm, frame, or receiver to the same person from whom it was received.

Sec. 4. 13 V.S.A. § 4027 is added to read:

§ 4027. POLLING PLACES; WEAPONS PROHIBITED

(a)(1) A person shall not knowingly possess a firearm or a dangerous or deadly weapon at a polling place, or on the walks leading to a building in which a polling place is located, on an election day.

(2) The provisions of subdivision (1) of this subsection shall apply to the town clerk’s office during any period when a board of civil authority has voted to permit early voting pursuant to 17 V.S.A. § 2546b(a)(1).

(b) A person who violates this section shall be imprisoned not more than one year or fined not more than \$1,000.00, or both.

(c) This section shall not apply to:

(1) a firearm or a dangerous or deadly weapon carried for legitimate law enforcement purposes by a federal law enforcement officer or a law enforcement officer certified as a law enforcement officer by the Vermont Criminal Justice Council pursuant to 20 V.S.A. § 2358;

(2) a firearm or a dangerous or deadly weapon carried by a person while performing the person's official duties as an employee of the United States; a department or agency of the United States; a state; or a department, agency, or political subdivision of a state, if the person is authorized to carry a firearm or a dangerous or deadly weapon as part of the person's official duties; or

(3) a firearm or a dangerous or deadly weapon stored in a motor vehicle.

(d) Notice of the provisions of this section shall be posted conspicuously at each public entrance to each polling place.

(e) As used in this section:

(1) "Dangerous or deadly weapon" has the same meaning as in section 4016 of this title.

(2) "Firearm" has the same meaning as in section 4017 of this title.

(3) "Polling place" means a place that a municipality has designated to the Secretary of State as a polling place pursuant to 17 V.S.A. § 2502(f).

Sec. 5. 17 V.S.A. § 2510 is added to read:

§ 2510. POLLING PLACES; WEAPONS PROHIBITED

(a)(1) A person shall not knowingly possess a firearm or a dangerous or deadly weapon at a polling place, or on the walks leading to a building in which a polling place is located, on an election day.

(2) The provisions of subdivision (1) of this subsection shall apply to the town clerk's office during any period when a board of civil authority has voted to permit early voting pursuant to subdivision 2546b(a)(1) of this title.

(b) This section shall not apply to:

(1) a firearm or a dangerous or deadly weapon carried for legitimate law enforcement purposes by a federal law enforcement officer or a law enforcement officer certified as a law enforcement officer by the Vermont Criminal Justice Council pursuant to 20 V.S.A. § 2358;

(2) a firearm or a dangerous or deadly weapon carried by a person while performing the person's official duties as an employee of the United States; a department or agency of the United States; a state; or a department, agency, or

political subdivision of a state, if the person is authorized to carry a firearm or a dangerous or deadly weapon as part of the person's official duties; or

(3) a firearm or a dangerous or deadly weapon stored in a motor vehicle.

(c) Notice of the provisions of this section shall be posted conspicuously at each public entrance to each polling place.

(d) As used in this section:

(1) "Dangerous or deadly weapon" has the same meaning as in 13 V.S.A. § 4016.

(2) "Firearm" has the same meaning as in section 13 V.S.A. § 4017.

(3) "Polling place" means a place that a municipality has designated to the Secretary of State as a polling place pursuant to subsection 2502(f) of this title.

Sec. 6. REPORT; VERMONT STATISTICAL ANALYSIS CENTER (SAC)

On or before January 1, 2026, the Vermont Statistical Analysis Center (SAC) shall report data on prosecutions under Sec. 1 of this act to the House and Senate Committees on Judiciary. The report shall include:

(1) the number of civil violations filed and adjudications obtained for violations of 13 V.S.A. § 4083(a)(1) or (b)(1) relating to possessing a firearm, frame or receiver of a firearm, or unfinished frame or receiver of a firearm that is not imprinted with a serial number;

(2) the number of criminal charges filed and convictions obtained for violations of 13 V.S.A. § 4083(a)(2), (b)(2), or (c)(1) relating to transferring, offering to transfer, or manufacturing a firearm, frame or receiver of a firearm, or unfinished frame or receiver of a firearm that is not imprinted with a serial number;

(3) the number of criminal charges filed and convictions obtained for violations of 13 V.S.A. § 4083(d)(3) relating to carrying an unserialized firearm while committing a violent crime, or while committing reckless endangerment; and

(4) the number of criminal charges filed and convictions obtained for violations of 13 V.S.A. § 4084(b) or (c) relating to improper serialization or handling of a firearm or frame or receiver of a firearm by a federal firearms licensee.

Sec. 7. REPORT ON FIREARMS IN MUNICIPAL BUILDINGS; VERMONT LEAGUE OF CITIES AND TOWNS

(a) On or before January 15, 2025, the Office of the Secretary of State, in consultation with the Vermont League of Cities and Towns and the Vermont Municipal Clerks and Treasurers Association, shall report to the House and Senate Committees on Judiciary, the House Committee on Government Operations and Military Affairs, and the Senate Committee on Government Operations on options for prohibiting firearms in municipal buildings.

(b) The report required by this section shall include recommendations on the following topics:

(1) whether the preferable approach is:

(A) for the General Assembly to pass a statute prohibiting firearms in municipal buildings statewide; or

(B) for municipalities to be provided with the authority to decide whether to pass an ordinance prohibiting firearms in municipal buildings;

(2) whether a statewide prohibition should include a definition of the term “municipal building,” and if so, what that definition should be; and

(3) which municipal buildings should be covered and which should not be covered by a prohibition on possessing firearms in municipal buildings.

(c) As used in this section, “firearm” has the same meaning as in 13 V.S.A. § 4017(d).

Sec. 8. EFFECTIVE DATES

(a) Secs. 1 and 2 of this act shall take effect on February 28, 2025.

(b) Secs. 3, 4, 5, 6, 7, and this section shall take effect on passage.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Baruth, Hashim, Sears and Vyhovsky moved that the Senate concur in the House proposal of amendment with a further proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. chapter 85 is amended to read:

CHAPTER 85. WEAPONS

* * *

Subchapter 4. Unserialized Firearms and Firearms Frames and Receivers

§ 4081. SHORT TITLE

This subchapter shall be known as the “Vermont Ghost Guns Act.”

§ 4082. DEFINITIONS

As used in this subchapter:

(1) “Federal firearms licensee” means a federally licensed firearm dealer, federally licensed firearm importer, and federally licensed firearm manufacturer.

(2) “Federally licensed firearm dealer” means a licensed dealer as defined in 18 U.S.C. § 921(a)(11).

(3) “Federally licensed firearm importer” means a licensed importer as defined in 18 U.S.C. § 921(a)(9).

(4) “Federally licensed firearm manufacturer” means a licensed manufacturer as defined in 18 U.S.C. § 921(a)(10).

(5) “Fire control component” means a component necessary for the firearm to initiate, complete, or continue the firing sequence, including any of the following: hammer, bolt, bolt carrier, breechblock, cylinder, trigger mechanism, firing pin, striker, or slide rails.

(6) “Frame or receiver of a firearm” means a part of a firearm that, when the complete firearm is assembled, is visible from the exterior and provides housing or a structure designed to hold or integrate one or more fire control components, even if pins or other attachments are required to connect the fire control components. Any part of a firearm imprinted with a serial number is presumed to be a frame or receiver of a firearm unless the Federal Bureau of Alcohol, Tobacco, Firearms and Explosives makes an official determination otherwise or there is other reliable evidence to the contrary.

(7) “Three-dimensional printer” means a computer-aided manufacturing device capable of producing a three-dimensional object from a three-dimensional digital model through an additive manufacturing process that involves the layering of two-dimensional cross sections formed of a resin or similar material that are fused together to form a three-dimensional object.

(8) “Unfinished frame or receiver” means any forging, casting, printing, extrusion, machined body, or similar article that has reached a stage in manufacture when it may readily be completed, assembled, or converted to be used as the frame or receiver of a functional firearm or that is marketed or sold to the public to become or be used as the frame or receiver of a functional firearm once completed, assembled, or converted.

(9) “Violent crime” has the same meaning as in section 4017 of this title.

§ 4083. UNLAWFUL CONDUCT INVOLVING UNSERIALIZED
FIREARMS, FRAMES, AND RECEIVERS

(a)(1) A person shall not knowingly possess an unfinished frame or receiver unless the unfinished frame or receiver has been imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) A person shall not knowingly transfer or offer to transfer an unfinished frame or receiver unless the unfinished frame or receiver has been imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(3) This subsection shall not apply to:

(A) a federal firearms licensee acting within the scope of the licensee's license;

(B) possession or transfer of an unfinished frame or receiver for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title; or

(C) an unfinished frame or receiver transferred to or possessed by a law enforcement officer for legitimate law enforcement purposes.

(b)(1) A person shall not knowingly possess a firearm or frame or receiver of a firearm that is not imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) A person shall not knowingly transfer or offer to transfer a firearm or frame or receiver of a firearm that is not imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(3) This subsection shall not apply to:

(A) a federal firearms licensee acting within the scope of the licensee's license;

(B) possession or transfer of a firearm or frame or receiver of a firearm for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title;

(C) an unserialized frame or receiver transferred to or possessed by a law enforcement officer for legitimate law enforcement purposes;

(D) an antique firearm as defined in subsection 4017(d) of this title;

(E) a firearm that has been rendered permanently inoperable; or

(F) a firearm that was manufactured before 1968.

(c)(1) A person who manufactures a firearm or frame or receiver of a firearm, including by a three-dimensional printer, shall cause the firearm, frame, or receiver to be imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) This subsection shall not apply to:

(A) a federally licensed firearms manufacturer acting within the scope of the manufacturer's license; or

(B) possession or transfer of a firearm or frame or receiver of a firearm for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title.

(d)(1) A person who violates subdivision (a)(1) or (b)(1) of this section shall be:

(A) for a first offense, assessed a civil penalty of not more than \$50.00;

(B) for a second offense, imprisoned for not more than two years or fined not more than \$1,000.00, or both; and

(C) for a third or subsequent offense, imprisoned for not more than three years or fined not more than \$2,000.00, or both.

(2) A person who violates subdivision (a)(2), (b)(2), or (c)(1) of this section shall be:

(A) for a first offense, imprisoned for not more than one year or fined not more than \$500.00, or both;

(B) for a second offense, imprisoned for not more than two years or fined not more than \$1,000.00, or both; and

(C) for a third or subsequent offense, imprisoned for not more than three years or fined not more than \$2,000.00, or both.

(3) A person who uses an unserialized firearm while committing a violent crime or while committing reckless endangerment in violation of section 1025 of this title shall be imprisoned for not more than five years or fined not more than \$5,000.00, or both.

§ 4084. FEDERAL FIREARMS LICENSEES; AUTHORITY TO
SERIALIZE FIREARMS, FRAMES, AND RECEIVERS

(a) A federal firearms licensee may imprint a serial number on an unserialized firearm or frame or receiver of a firearm pursuant to this section.

(b)(1) A firearm, frame, or receiver serialized pursuant to this section shall be imprinted with a serial number that begins with the licensee's abbreviated

federal firearms license number, which is the first three and last five digits of the license number, and is followed by a hyphen that precedes a unique identification number. The serial number shall not be duplicated on any other firearm, frame, or receiver serialized by the licensee and shall be imprinted in a manner that complies with the requirements under federal law for affixing serial numbers to firearms, including that the serial number be at the minimum size and depth and not susceptible to being readily obliterated, altered, or removed.

(2) A licensee who serializes a firearm, frame, or receiver pursuant to this section shall make and retain records of the serialization that comply with the requirements under federal law for the sale of a firearm. In addition to any record required by federal law, the record shall include the date, name, age, and residence of any person to whom the item is transferred and the unique serial number imprinted on the firearm, frame, or receiver.

(3) A licensee shall not be deemed a firearms manufacturer solely for serializing a firearm, frame, or receiver pursuant to this section.

(c) Returning a firearm, frame, or receiver to a person after it has been serialized pursuant to federal law or this section constitutes a transfer that requires a background check of the transferee. A federal licensee who serializes a firearm, frame, or receiver pursuant to this section shall conduct a background check on the transferee pursuant to subsection 4019(c) of this title, provided that if the transfer is denied, the licensee shall deliver the firearm, frame, or receiver to a law enforcement agency for disposition. The agency shall provide the licensee with a receipt on agency letterhead for the firearm, frame, or receiver.

(d) A licensee who violates subsection (b) or (c) of this section shall:

(1) for a first offense, be fined not more than \$2,500.00; and

(2) for a second or subsequent offense, be imprisoned for not more than one year or fined not more than \$2,500.00, or both.

Sec. 2. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

* * *

(33) Violations of 13 V.S.A. § 4083(a)(1) or (b)(1) relating to a first offense of possessing a firearm, frame or receiver of a firearm, or unfinished frame or receiver of a firearm that is not imprinted with a serial number.

* * *

Sec. 3. 13 V.S.A. § 4019a is amended to read:

§ 4019a. FIREARMS TRANSFERS; WAITING PERIOD

(a) A person shall not transfer a firearm to another person until 72 hours after the licensed dealer facilitating the transfer is provided with a unique identification number for the transfer by the National Instant Criminal Background Check System (NICS) or seven business days have elapsed since the dealer contacted NICS to initiate the background check, whichever occurs first.

(b) A person who transfers a firearm to another person in violation of subsection (a) of this section shall be imprisoned not more than one year or fined not more than \$500.00, or both.

(c) This section shall not apply to a firearm transfer that does not require a background check under 18 U.S.C. § 922(t) or section 4019 of this title.

(d) As used in this section, “firearm” has the same meaning as in subsection 4017(d) of this title.

(e)(1) This section shall not apply to a firearms transfer at a gun show.

(2) As used in this subsection, “gun show” means a function sponsored by:

(A) a national, state, or local organization, devoted to the collection, competitive use, or other sporting use of firearms; or

(B) an organization or association that sponsors functions devoted to the collection, competitive use, or other sporting use of firearms in the community.

(3) This subsection shall be repealed on July 1, 2024.

(f) This section shall not apply to the return of a firearm, frame, or receiver to a person by a licensed dealer after the dealer has serialized it pursuant to federal law or section 4084 of this title if the dealer returns the firearm, frame, or receiver to the same person from whom it was received.

Sec. 4. 13 V.S.A. § 4027 is added to read:

§ 4027. POLLING PLACES; FIREARMS PROHIBITED

(a)(1) A person shall not knowingly possess a firearm at a polling place or on the walks leading to a building in which a polling place is located on an election day.

(2) The provisions of subdivision (1) of this subsection shall apply to the town clerk’s office during any period when a board of civil authority has voted to permit early voting pursuant to 17 V.S.A. § 2546b(a)(1).

(b) A person who violates this section shall be imprisoned not more than one year or fined not more than \$1,000.00, or both.

(c) This section shall not apply to:

(1) a firearm carried for legitimate law enforcement purposes by a federal law enforcement officer or a law enforcement officer certified as a law enforcement officer by the Vermont Criminal Justice Council pursuant to 20 V.S.A. § 2358;

(2) a firearm carried by a person while performing the person's official duties as an employee of the United States; a department or agency of the United States; a state; or a department, agency, or political subdivision of a state if the person is authorized to carry a firearm as part of the person's official duties; or

(3) a firearm stored in a motor vehicle.

(d) Notice of the provisions of this section shall be posted conspicuously at each public entrance to each polling place.

(e) As used in this section:

(1) "Firearm" has the same meaning as in section 4017 of this title.

(2) "Polling place" means a place that a municipality has designated to the Secretary of State as a polling place pursuant to 17 V.S.A. § 2502(f).

Sec. 5. 17 V.S.A. § 2510 is added to read:

§ 2510. POLLING PLACES; FIREARMS PROHIBITED

(a)(1) A person shall not knowingly possess a firearm at a polling place or on the walks leading to a building in which a polling place is located on an election day.

(2) The provisions of subdivision (1) of this subsection shall apply to the town clerk's office during any period when a board of civil authority has voted to permit early voting pursuant to subdivision 2546b(a)(1) of this title.

(b) This section shall not apply to:

(1) a firearm carried for legitimate law enforcement purposes by a federal law enforcement officer or a law enforcement officer certified as a law enforcement officer by the Vermont Criminal Justice Council pursuant to 20 V.S.A. § 2358;

(2) a firearm carried by a person while performing the person's official duties as an employee of the United States; a department or agency of the United States; a state; or a department, agency, or political subdivision of a

state if the person is authorized to carry a firearm as part of the person's official duties; or

(3) a firearm stored in a motor vehicle.

(c) Notice of the provisions of this section shall be posted conspicuously at each public entrance to each polling place.

(d) As used in this section:

(1) "Firearm" has the same meaning as in section 13 V.S.A. § 4017.

(2) "Polling place" means a place that a municipality has designated to the Secretary of State as a polling place pursuant to subsection 2502(f) of this title.

Sec. 6. REPORT; VERMONT CRIME RESEARCH GROUP

On or before January 1, 2026, the Vermont Statistical Analysis Center (SAC) shall report data on prosecutions under Sec. 1 of this act to the House and Senate Committees on Judiciary. The report shall include:

(1) the number of civil violations filed and adjudications obtained for violations of 13 V.S.A. § 4083(a)(1) or (b)(1) relating to possessing a firearm, frame or receiver of a firearm, or unfinished frame or receiver of a firearm that is not imprinted with a serial number;

(2) the number of criminal charges filed and convictions obtained for violations of 13 V.S.A. § 4083(a)(2), (b)(2), or (c)(1) relating to transferring, offering to transfer, or manufacturing a firearm, frame or receiver of a firearm, or unfinished frame or receiver of a firearm that is not imprinted with a serial number;

(3) the number of criminal charges filed and convictions obtained for violations of 13 V.S.A. § 4083(d)(3) relating to carrying an unserialized firearm while committing a violent crime or while committing reckless endangerment; and

(4) the number of criminal charges filed and convictions obtained for violations of 13 V.S.A. § 4084(b) or (c) relating to improper serialization or handling of a firearm or frame or receiver of a firearm by a federal firearms licensee.

Sec. 7. REPORT ON FIREARM IN MUNICIPAL BUILDINGS; VERMONT LEAGUE OF CITIES AND TOWNS

(a) On or before January 15, 2025, the Office of the Secretary of State, in consultation with the Vermont League of Cities and Towns, the Vermont Municipal Clerks and Treasurers Association, the Commissioner of Buildings

and General Services, and the Sergeant at Arms, shall report to the House and Senate Committees on Judiciary, the House Committee on Government Operations and Military Affairs, and the Senate Committee on Government Operations on options for prohibiting firearms in municipal and State government buildings, including the Vermont State House.

(b) The report required by this section shall include recommendations on the following topics:

(1) whether the preferable approach is:

(A) for the General Assembly to pass a statute prohibiting firearms in municipal buildings statewide; or

(B) for municipalities to be provided with the authority to decide whether to pass an ordinance prohibiting firearms in municipal buildings;

(2) whether a statewide prohibition should include a definition of the term “municipal building,” and if so, what that definition should be; and

(3) which municipal buildings should be covered and which should not be covered by a prohibition on possessing firearms in municipal buildings.

(c) As used in this section, “firearm” has the same meaning as in 13 V.S.A. § 4017(d).

Sec. 8. EFFECTIVE DATES

(a) Secs. 1 and 2 of this act shall take effect on February 28, 2025.

(b) Secs. 3, 4, 5, 6, 7, and this section shall take effect on passage.

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

Proposal of Amendment; Third Reading Ordered

H. 614.

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

An act relating to land improvement fraud and timber trespass.

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

Sec. 1. 13 V.S.A. § 2029 is amended to read:

§ 2029. HOME IMPROVEMENT AND LAND IMPROVEMENT FRAUD

(a) As used in this section, ~~“home:~~

(1) ~~“Home improvement” includes~~ means the fixing, replacing, remodeling, removing, renovation, alteration, conversion, improvement, demolition, or rehabilitation of or addition to any building ~~or land~~, or any portion thereof, including roofs, that is used or designed to be used as a residence or dwelling unit. ~~Home improvement shall include~~

(2)(A) “Land improvement” means:

(i) the construction, replacement, installation, paving, or improvement of driveways, ~~roofs,~~ and sidewalks, and trails, roads, or other landscape features;

(ii) site work, including grading, excavation, landscape irrigation, site utility installation, site preparation, and other construction work that is not part of a building on a parcel;

(iii) the limbing, pruning, and cutting, or removal of trees or shrubbery and other improvements to structures or upon land that is adjacent to a dwelling house; and

(iv) forestry operations, as that term is defined in 10 V.S.A. § 2602, including the construction of trails, roads, and structures associated with forestry operations and the transportation off-site of trees, shrubs, or timber.

(B) “Land improvement” includes activities made in connection with a residence or dwelling or those activities not made in connection with a residence or dwelling.

(b) A person commits the offense of home improvement or land improvement fraud when ~~he or she~~ the person enters into a contract or agreement, written or oral, for ~~\$500.00~~ \$1,000.00 or more, with an owner for home improvement or land improvement, or into several contracts or agreements for \$2,500.00 or more in the aggregate, with more than one owner for home improvement or land improvement, and ~~he or she~~ the person knowingly:

(1)(A) fails to perform the contract or agreement, in whole or in part; and

(B) when the owner requests performance, payment, or a refund of payment made, the person fails to either:

(i) refund the payment; ~~or~~

(ii) make and comply with a definite plan for completion of the work that is agreed to by the owner; or

(iii) make the payment;

(2) misrepresents a material fact relating to the terms of the contract or agreement or to the condition of any portion of the property involved;

(3) uses or employs any unfair or deceptive act or practice in order to induce, encourage, or solicit such person to enter into any contract or agreement or to modify the terms of the original contract or agreement; or

(4) when there is a declared state of emergency, charges for goods or services related to the emergency a price that exceeds two times the average price for the goods or services and the increase is not attributable to the additional costs incurred in connection with providing those goods or services.

(c) Whenever a person is convicted of home improvement or land improvement fraud or of fraudulent acts related to home improvement or land improvement:

(1) the person shall notify the Office of the Attorney General;

(2) the court shall notify the Office of the Attorney General; and

(3) the Office of the Attorney General shall place the person's name on the Home Improvement and Land Improvement Fraud Registry and shall include on the Registry whether the person has notified the Office of Attorney General under subdivision (e)(1) of this section that they have filed a surety bond or an irrevocable letter of credit.

(d)(1) A person who violates subsection (b) of this section shall be imprisoned not more than two years or fined not more than \$1,000.00, or both, if the loss to a single consumer is less than ~~\$1,000.00~~ \$1,500.00.

(2) A person who is convicted of a second or subsequent violation of ~~subdivision (1) of this subsection (b) of this section~~ shall be imprisoned not more than three years or fined not more than \$5,000.00, or both.

(3) A person who violates subsection (b) of this section shall be imprisoned not more than three years or fined not more than \$5,000.00, or both, if:

(A) the loss to a single consumer is ~~\$1,000.00~~ \$1,500.00 or more; or

(B) the loss to more than one consumer is \$2,500.00 or more in the aggregate.

(4) A person who is convicted of a second or subsequent violation of subdivision ~~(b)(3) of this subsection~~ section shall be imprisoned not more than five years or fined not more than \$10,000.00, or both.

(5) A person who violates subsection (c) or (e) of this section shall be imprisoned for not more than two years or fined not more than \$1,000.00, or both.

(e)(1) A person who is sentenced pursuant to subdivision (d)(2), (3), or (4) of this section, or convicted of fraudulent acts related to home improvement or land improvement, may engage in home improvement or land improvement activities for compensation only if:

(1)(A) the work is for a company or individual engaged in home improvement or land improvement activities; and the company or individual has not previously committed a violation under this section; the person and the management of the company or the individual are not a family member, a household member, or a current or prior business associate; and the person first notifies the company or individual of the conviction and notifies the Office of the Attorney General of the person's current address and telephone number; the name, address, and telephone number of the company or individual for whom the person is going to work; and the date on which the person will start working for the company or individual; or

(2)(B) the person notifies the Office of the Attorney General of the intent to engage in home improvement or land improvement activities, and that the person has filed a surety bond or an irrevocable letter of credit with the Office in an amount of not less than \$50,000.00, \$250,000.00 and pays on a regular basis all fees associated with maintaining such bond or letter of credit.

(2) As used in this subsection:

(A) "Business associate" means a person joined together with another person to achieve a common financial objective.

(B) "Family member" means a spouse, child, sibling, parent, next of kin, domestic partner, or legal guardian.

(C) "Household member" means a person who, for any period of time, is living or has lived together, is sharing or has shared occupancy of a dwelling.

(f) The Office of the Attorney General shall release the letter of credit at such time when:

(1) any claims against the person relating to home improvement or land improvement fraud have been paid;

(2) there are no pending actions or claims against the person for home improvement or land improvement fraud; and

(3) the person has not been engaged in home improvement or land improvement activities for at least six years and has signed an affidavit so attesting.

(g) A person convicted of home improvement or land improvement fraud is prohibited from applying for or receiving State grants or from contracting, directly or indirectly, with the State or any of its subdivisions for a period of up to three years following the date of the conviction, as determined by the Commissioner of Buildings and General Services.

(h) A person subject to the financial surety requirements of section 3605 of this title for timber trespass shall not engage in land improvement activities unless the person has satisfied the financial surety requirements for timber trespass.

Sec. 2. 13 V.S.A. § 3605 is added to read:

§ 3605. FINANCIAL SURETY REQUIRED FOR CONTINUED TIMBER HARVESTING ACTIVITIES

(a) Under one or more of the following circumstances, a person shall not engage in timber harvesting activities for compensation unless the person satisfies the conditions of subsection (b) of this section:

(1) The person was convicted of a second or subsequent violation of timber trespass under section 3606a of this title.

(2) The person is subject to two or more civil judgements under section 3606 of this title.

(3) The person is subject to the financial surety requirements of subsection 2029(e) of this title for land improvement fraud.

(4) The person was convicted of a combination of one or more violations of timber trespass and one or more occurrence of land improvement fraud.

(b)(1) A person subject to prohibition under subsection (a) of this section may engage in timber harvesting activities for compensation if:

(A) the work is for a company or individual engaged in timber harvesting activities and the company or individual has not previously committed a violation under this section; the person and the management of the company or the individual are not a family member, a household member, or a current or prior business associate; and the person first notifies the company or individual of the conviction or civil judgment and notifies the Office of the Attorney General of the person's current address and telephone number; the name, address, and telephone number of the company or

individual for whom the person is going to work; and the date on which the person will start working for the company or individual; or

(B) the person notifies the Office of the Attorney General of the intent to engage in timber harvesting activities, has filed a surety bond or an irrevocable letter of credit with the Office in an amount of not less than \$250,000.00, and pays on a regular basis all fees associated with maintaining such bond or letter of credit.

(2) As used in this subsection:

(A) "Business associate" means a person joined together with another person to achieve a common financial objective.

(B) "Family member" means a spouse, child, sibling, parent, next of kin, domestic partner, or legal guardian of a person.

(C) "Household member" means a person who, for any period of time, is living or has lived together, is sharing or has shared occupancy of a dwelling.

(c) The Office of the Attorney General shall release the letter of credit at such time when:

(1) any claims against the person relating to timber harvesting activities or land improvement fraud have been paid;

(2) there are no pending actions or claims against the person from the person's timber harvesting activities or land improvement fraud; and

(3) the person has not been engaged in timber harvesting activities for at least six years and has signed an affidavit so attesting.

(d) A person who violates subsection (b) of this section or subdivision 3606a(c)(1) of this title shall be imprisoned for not more than two years or fined not more than \$1,000.00, or both.

Sec. 3. 13 V.S.A. § 3606a is amended to read:

§ 3606a. TRESPASS; CRIMINAL PENALTY

(a) No person shall knowingly or recklessly:

(1) cut down, fell, destroy, remove, injure, damage, or carry away any timber or forest product placed or growing for any use or purpose whatsoever, or timber or forest product lying or growing belonging to another person, without permission from the owner of the timber or forest product; or

(2) deface the mark of a log, forest product, or other valuable timber in a river or other place.

(b) Any person who violates subsection (a) of this section shall:

(1) for a first offense, be imprisoned not more than one year or fined not more than \$20,000.00, or both; or

(2) for a second or subsequent offense, be imprisoned not more than ~~two~~ three years or fined not more than \$50,000.00, or both.

(c) Whenever a person is convicted of timber trespass under this section:

(1) the person shall notify the Office of the Attorney General;

(2) the court shall notify the Office of the Attorney General; and

(3) the Office of the Attorney General shall place the person's name on the Home Improvement and Land Improvement Fraud Registry and shall include on the Registry whether the person has notified the Office of Attorney General under subdivision 3605(b)(1)(B) of this title that they have filed a surety bond or an irrevocable letter of credit.

Sec. 4. IMPLEMENTATION

The financial surety requirements established by 13 V.S.A. § 3605 shall apply prospectively and shall not apply to convictions or civil judgments that occurred prior to the effective date of this act.

Sec. 5. OFFICE OF THE ATTORNEY GENERAL; REPORT ON TIMBER TRESPASS ENFORCEMENT

(a) On or before January 15, 2025, the Office of the Attorney General shall submit to the House Committees on Agriculture, Food Resiliency, and Forestry and on Judiciary and the Senate Committees on Natural Resources and Energy and on Judiciary a report regarding the current enforcement of timber trespass within the State and potential methods of improving enforcement. The report shall include:

(1) a summary of the current issues pertaining to enforcement of timber trespass statutes;

(2) a summary of mechanisms or alternatives utilized in other states to effectively enforce or prevent timber theft or similar crimes;

(3) recommendations for programs, policy changes, staffing, and budget estimates to improve enforcement and prevention; ensure consumer protection; and reduce the illegal harvesting, theft, and transporting of timber in the State, including proposed statutory changes to implement the recommendations; and

(4) a recommendation of whether and how property used in the commission of land improvement fraud or timber trespass should be subject to seizure and forfeiture by law enforcement.

(b) The Office of the Attorney General shall consult with the Department of Forests, Parks and Recreation; the Department of Public Safety; the Office of the State Treasurer; the Department of State's Attorneys and Sheriffs; the Professional Logging Contractors of the Northeast; the Vermont Forest Products Association; and other interested parties in the preparation of the report required under this section.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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, 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, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Adjournment

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.

Proposal of Amendment; Third Reading Ordered

H. 687.

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 through land use.

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:

* * * Act 250 * * *

Sec. 1. 10 V.S.A. § 6000 is added to read:

§ 6000. PURPOSE; CONSTRUCTION

The purposes of this chapter are to protect and conserve the environment of the State and to support the achievement of the goals of the Capability and Development Plan, of 24 V.S.A. § 4302(c), and of the conservation vision and goals for the State established in section 2802 of this title, while supporting equitable access to infrastructure.

Sec. 2. 10 V.S.A. § 6021 is amended to read:

§ 6021. BOARD; VACANCY; REMOVAL

(a) ~~A Natural Resources Board established.~~ The Land Use Review Board is created to administer the Act 250 program and hear appeals.

(1) The Board shall consist of five members appointed by the Governor, after review and approval by the Land Use Review Board Nominating Committee in accordance with subdivision (2) of this subsection and confirmed with the advice and consent of the Senate, so that one appointment expires in each year. The Chair shall be a full-time position, and the other four members shall be full-time positions. In making these appointments, the Governor and the Senate shall give consideration to candidates who have experience, expertise, or skills relating to the environment or land use one or more of the following areas: environmental science; land use law, policy, planning, and development; and community planning. All candidates shall have a commitment to environmental justice.

(A) The Governor shall appoint a chair of the Board, a position that shall be a full-time position. The Governor shall ensure Board membership reflects, to the extent possible, the racial, ethnic, gender, and geographic diversity of the State. The Board shall not contain two members who reside in the same county.

(B) Following initial appointments, the members, except for the Chair, shall be appointed for terms of four five years. All terms shall begin on July 1 and expire on June 30. A member may continue serving until a successor is appointed. The initial appointments shall be for staggered terms of one year, two years, three years, four years, and five years.

(2) ~~The Governor shall appoint up to five persons, with preference given to former Environmental Board, Natural Resources Board, or District Commission members, with the advice and consent of the Senate, to serve as alternates for Board members.~~

(A) Alternates shall be appointed for terms of four years, with initial appointments being staggered. The Land Use Review Board Nominating Committee shall advertise the position when a vacancy will occur on the Land Use Review Board.

(B) The Chair of the Board may assign alternates to sit on specific matters before the Board in situations where fewer than five members are available to serve. The Nominating Committee shall review the applicants to determine which are well qualified for appointment to the Board and shall recommend those candidates to the Governor. The names of candidates shall be confidential.

(C) The Governor shall appoint, with the advice and consent of the Senate, a chair and four members of the Board from the list of well-qualified candidates sent to the Governor by the Committee.

(b) Any vacancy occurring in the membership of the Board shall be filled by the Governor for the unexpired portion of the term. Terms; vacancy; succession. The term of each appointment subsequent to the initial appointments described in subsection (a) of this section shall be five years. Any appointment to fill a vacancy shall be for the unexpired portion of the term vacated. A member may seek reappointment by informing the Governor. If the Governor decides not to reappoint the member, the Nominating Committee shall advertise the vacancy.

(c) Removal. Notwithstanding the provisions of 3 V.S.A. § 2004, members shall only be removable for cause only, except the Chair, who shall serve at the pleasure of the Governor by the remaining members of the Board in accordance with the Vermont Administrative Procedures Act. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.

(d) Disqualified members. The Chair of the Board, upon request of the Chair of a District Commission, may appoint and assign former Commission members to sit on specific Commission cases when some or all of the regular members and alternates of the District Commission are disqualified or otherwise unable to serve. If necessary to achieve a quorum, the Chair of the Board may appoint a member of a District Commission who has not worked on the case to sit on a specific case before the Board.

(e) Retirement from office. When a Board member who hears all or a substantial part of a case retires from office before the case is completed, the member may remain a member of the Board, at the member's discretion, for the purpose of concluding and deciding that case and signing the findings and judgments involved. A retiring chair shall also remain a member for the

purpose of certifying questions of law if a party appeals to the Supreme Court. For the service, the member shall receive a reasonable compensation to be fixed by the remaining members of the Board and necessary expenses while on official business.

Sec. 3. 10 V.S.A. § 6032 is added to read:

§ 6032. LAND USE REVIEW BOARD NOMINATING COMMITTEE

(a) Creation. The Land Use Review Board Nominating Committee is created for the purpose of assessing the qualifications of applicants for appointment to the Land Use Review Board in accordance with section 6021 of this title.

(b) Members. The Committee shall consist of six members who shall be appointed by July 31, 2024 as follows:

(1) The Governor shall appoint two members from the Executive Branch, with at least one being an employee of the Department of Human Resources.

(2) The Speaker of the House of Representatives shall appoint two members from the House of Representatives.

(3) The Senate Committee on Committees shall appoint two members from the Senate.

(c) Terms. The members of the Committee shall serve for terms of two years. Members shall serve until their successors are appointed. Members shall serve not more than three consecutive terms. A legislative member who is appointed as a member of the Committee shall retain the position for the term appointed to the Committee even if the member is subsequently not reelected to the General Assembly during the member's term on the Committee.

(d) Chair. The members shall elect their own chair.

(e) Quorum. A quorum of the Committee shall consist of four members.

(f) Staff and services. The Committee is authorized to use the staff and services of appropriate State Agencies and Departments as necessary to conduct investigations of applicants.

(g) Confidentiality. Except as provided in subsection (h) of this section, proceedings of the Committee, including the names of candidates considered by the Committee and information about any candidate submitted to the Governor, shall be confidential. The provisions of 1 V.S.A. § 317(e) (expiration of Public Records Act exemptions) shall not apply to the exemptions or confidentiality provisions in this subsection.

(h) Public information. The following shall be public:

(1) operating procedures of the Committee;

(2) standard application forms and any other forms used by the Committee, provided they do not contain personal information about a candidate or confidential proceedings;

(3) all proceedings of the Committee prior to the receipt of the first candidate's completed application; and

(4) at the time the Committee sends the names of the candidates to the Governor, the total number of applicants for the vacancies and the total number of candidates sent to the Governor.

(i) Reimbursement. Legislative members of the Committee shall be entitled to per diem compensation and reimbursement for expenses in accordance with 32 V.S.A. § 1010. Compensation and reimbursement shall be paid from the legislative appropriation.

(j) Duties.

(1) When a vacancy occurs, the Committee shall review applicants to determine which are well qualified for the Board and submit those names to the Governor. The Committee shall submit to the Governor a summary of the qualifications and experience of each candidate whose name is submitted to the Governor together with any further information relevant to the matter.

(2) An applicant for the position of member of the Land Use Review Board shall not be required to be an attorney. If the candidate is admitted to practice law in Vermont or practices a profession requiring licensure, certification, or other professional regulation by the State, the Committee shall submit the candidate's name to the Court Administrator or the applicable State professional regulatory entity, and that entity shall disclose to the Committee any professional disciplinary action taken or pending concerning the candidate.

(3) Candidates shall be sought who have experience, expertise, or skills relating to one or more of the following areas: environmental science; land use law, policy, planning, and development; and community planning. All candidates shall have a commitment to environmental justice.

(4) The Committee shall ensure a candidate possesses the following attributes:

(A) Integrity. A candidate shall possess a record and reputation for excellent character and integrity.

(B) Impartiality. A candidate shall exhibit an ability to make determinations in a manner free of bias.

(C) Work ethic. A candidate shall demonstrate diligence.

(D) Availability. A candidate shall have adequate time to dedicate to the position.

(5) The Committee shall require candidates to disclose to the Committee their financial interests and potential conflicts of interest.

Sec. 4. 10 V.S.A. § 6025 is amended to read:

§ 6025. RULES

(a) The Board may adopt rules of procedure for itself and the District Commissions. The Board shall adopt rules of procedure that govern appeals and other contested cases before it that are consistent with this chapter. The Board's procedure for approving regional plans and regional plan maps, which may be adopted as rules or issued as guidance, shall ensure that the maps are consistent with legislative intent as expressed in 2802 of this title and 24 V.S.A. §§ 4302 and 4348a.

* * *

Sec. 5. 10 V.S.A. § 6027 is amended to read:

§ 6027. POWERS

(a) The Board and District Commissions ~~each~~ shall have supervisory authority in environmental matters respecting projects within their jurisdiction and shall apply their independent judgment in determining facts and interpreting law. Each shall have the power, with respect to any matter within its jurisdiction, to:

(1) administer oaths, take depositions, subpoena and compel the attendance of witnesses, and require the production of evidence;

(2) allow parties to enter upon lands of other parties for the purposes of inspecting and investigating conditions related to the matter before the Board or Commission;

(3) enter upon lands for the purpose of conducting inspections, investigations, examinations, tests, and site evaluations as it deems necessary to verify information presented in any matter within its jurisdiction; and

(4) apply for and receive grants from the federal government and from other sources.

(b) The powers granted under this chapter are additional to any other powers ~~which~~ that may be granted by other legislation.

(c) ~~The Natural Resources Board~~ may designate or establish ~~such~~ regional offices as it deems necessary to implement the provisions of this chapter and

the rules adopted hereunder. The ~~Natural Resources~~ Board may designate or require a regional planning commission to receive applications, provide administrative assistance, perform investigations, and make recommendations.

(d) At the request of a District Commission, if the Board Chair determines that the workload in the requesting district is likely to result in unreasonable delays or that the requesting District Commission is disqualified to hear a case, the Chair may authorize the District Commission of another district to sit in the requesting district to consider one or more applications.

(e) The ~~Natural Resources~~ Board may by rule allow joint hearings to be conducted with specified State agencies or specified municipalities.

(f) ~~The Board shall publish its decisions online.~~ The Board may publish online or contract to publish annotations and indices of its decisions, the decisions of the Environmental Division of the Superior Court and the Supreme Court, and the text of those decisions. The published product shall be available at a reasonable rate to the general public and at a reduced rate to libraries and governmental bodies within the State.

(g) The ~~Natural Resources~~ Board shall manage the process by which land use permits are issued under section 6086 of this title, may initiate enforcement on related matters under the provisions of chapters 201 and 211 of this title, and may ~~petition the Environmental Division~~ initiate and hear petitions for revocation of land use permits issued under this chapter. Grounds for revocation are:

(1) noncompliance with this chapter, rules adopted under this chapter, or an order that is issued that relates to this chapter;

(2) noncompliance with any permit or permit condition;

(3) failure to disclose all relevant and material facts in the application or during the permitting process;

(4) misrepresentation of any relevant and material fact at any time;

(5) failure to pay a penalty or other sums owed pursuant to, or other failure to comply with, court order, stipulation agreement, schedule of compliance, or other order issued under Vermont statutes and related to the permit; or

(6) failure to provide certification of construction costs, as required under subsection 6083a(a) of this title, or failure to pay supplemental fees as required under that section.

(h) The ~~Natural Resources~~ Board ~~may~~ shall hear appeals of decisions made by District Commissions and district coordinators, including fee refund

requests under section 6083a of this title.

(i) The Chair, subject to the direction of the Board, shall have general charge of the offices and employees of the Board and the offices and employees of the District Commissions.

~~(j) The Natural Resources Board may participate as a party in all matters before the Environmental Division that relate to land use permits issued under this chapter~~ The Board shall review for compliance regional plans and the future land use maps, including proposed Tier 1B areas, developed by the regional planning commissions pursuant to 24 V.S.A. § 4348a.

(k) The Board shall review applications for Tier 1A areas and approve or disapprove based on whether the application demonstrates compliance with the requirements of section 6034 of this title. The Board shall produce guidelines for municipalities seeking to obtain the Tier 1A area status.

* * *

Sec. 6. 10 V.S.A. § 6022 is amended to read:

§ 6022. PERSONNEL

(a) Regular personnel. The Board may appoint legal counsel, scientists, engineers, experts, investigators, temporary employees, and administrative personnel as it finds necessary in carrying out its duties, unless the Governor shall otherwise provide in providing personnel to assist the District Commissions and in investigating matters within its jurisdiction.

(b) Executive Director. The Board shall appoint an Executive Director. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:

(1) supervising and administering the operation and implementation of this chapter and the rules adopted by the Board as directed by the Board;

(2) assisting the Board in its duties and administering the requirements of this chapter; and

(3) employing any staff as may be required to carry out the functions of the Board.

Sec. 7. 10 V.S.A. § 6084 is amended to read:

§ 6084. NOTICE OF APPLICATION; HEARINGS; COMMENCEMENT OF REVIEW

~~(a) On or before the date of~~ Upon the filing of an application with the District Commission, the applicant District Commission shall send, by

~~electronic means, notice and a copy~~ of the ~~initial~~ application to the owner of the land if the applicant is not the owner; the municipality in which the land is located; the municipal and regional planning commissions for the municipality in which the land is located; the Vermont Agency of Natural Resources; and any adjacent Vermont municipality and municipal and regional planning commission if the land is located on a municipal or regional boundary. ~~The applicant shall furnish to the District Commission the names of those furnished notice by affidavit, and shall post~~ send by electronic means a copy of the notice ~~in~~ to the town clerk's office of the town or towns in which the project lies. The town clerk shall post the notice in the town office. The applicant shall also provide a list of adjoining landowners to the District Commission. Upon request and for good cause, the District Commission may authorize the applicant to provide a partial list of adjoining landowners in accordance with Board rules.

* * *

(e) Any notice for a major or minor application, as required by this section, shall also be published by the District Commission in a local newspaper generally circulating in the area where the development or subdivision is located and on the Board's website not more than ~~ten~~ 10 days after receipt of a complete application.

(f) The applicant shall post a sign provided by the District Commission on the subject property in a visible location 14 days prior to the hearing on the application and until the permit is issued or denied. The District Commission shall provide the sign that shall include a general description of the project, the date and place of the hearing, the identification number of the application and the internet address, and the contact information for the District Commission. The design of the signs shall be consistent throughout the State and prominently state "This Property has applied for an Act 250 Permit."

* * *

Sec. 8. 10 V.S.A. § 6086(f) is amended to read:

(f) Prior to any appeal of a permit issued by a District Commission, any aggrieved party may file a request for a stay of construction with the District Commission together with a declaration of intent to appeal the permit. The stay request shall be automatically granted for 14 days upon receipt and notice to all parties and pending a ruling on the merits of the stay request pursuant to Board rules. The automatic stay shall not extend beyond the 30- day appeal period unless a valid appeal has been filed with the ~~Environmental Division Board~~. The automatic stay may be granted only once under this subsection during the 30-day appeal period. Following appeal of the District Commission

~~decision, any stay request must be filed with the Environmental Division pursuant to the provisions of chapter 220 of this title Board. A District Commission shall not stay construction authorized by a permit processed under the Board's minor application procedures.~~

Sec. 9. 10 V.S.A. § 6086(h) is added to read:

(h) Compliance self-certification. The District Commission may require that a person who receives a permit under this chapter report on a regular schedule to the District Commission on whether or not the person has complied with and is in compliance with the conditions required in that permit. The report shall be made on a form provided by the Board and shall be notarized and contain a self-certification to the truth of statements.

Sec. 10. 10 V.S.A. § 6089 is amended to read:

§ 6089. APPEALS

~~Appeals of any act or decision of a District Commission under this chapter or a district coordinator under subsection 6007(c) of this title shall be made to the Environmental Division in accordance with chapter 220 of this title. For the purpose of this section, a decision of the Chair of a District Commission under section 6001e of this title on whether action has been taken to circumvent the requirements of this chapter shall be considered an act or decision of the District Commission.~~

(a)(1) Appeals to the Board. An appeal of any act or decision of a District Commission shall be to the Board and shall be accompanied by a fee prescribed by section 6083a of this title.

(2) Participation before District Commission. A person shall not appeal an act or decision that was made by a District Commission unless the person was granted party status by the District Commission pursuant to subdivision 6085(c)(1)(E) of this title, participated in the proceedings before the District Commission, and retained party status at the end of the District Commission proceedings. In addition, the person may only appeal those issues under the criteria with respect to which the person was granted party status. However, notwithstanding these limitations, a person may appeal an act or decision of the District Commission if the Board determines that:

(A) there was a procedural defect that prevented the person from obtaining party status or participating in the proceeding;

(B) the decision being appealed is the grant or denial of party status;
or

(C) some other condition exists that would result in manifest injustice if the person's right to appeal was disallowed.

(3) Filing the appeal. An appellant to the Board, under this section, shall file with the notice of appeal a statement of the issues to be addressed in the appeal, a summary of the evidence that will be presented, and a preliminary list of witnesses who will testify on behalf of the appellant.

(4) De novo hearing. The Board shall hold a de novo hearing on all findings requested by any party that files an appeal or cross appeal, according to the rules of the Board. The hearing shall be held in the municipality where the project subject to the appeal is located, if possible, or as close as possible.

(5) Notice of appeal. Notice of appeal shall be filed with the Board within 30 days following the act or decision by the District Commission. The Board shall notify the parties who had party status before the District Commission of the filing of any appeal.

(6) Prehearing discovery.

(A) A party may obtain discovery of expert witnesses who may provide testimony relevant to the appeal. Expert witness prefiled testimony shall be in accordance with the Vermont Rules of Evidence. The use of discovery for experts shall comply with the requirements in the Vermont Rules of Civil Procedure 26–37.

(B) Interrogatories served on nonexpert witnesses shall be limited to discovery of the identity of witnesses and a summary of each witness' testimony, except by order of the Board for cause shown. Interrogatories served on expert witnesses shall be in accordance with the Vermont Rules of Civil Procedure.

(C) Parties may submit requests to produce and requests to enter upon land pursuant to the Vermont Rule of Civil Procedure 34.

(D) Parties may not take depositions of witnesses, except by order of the Board for cause shown.

(E) The Board may require a party to supplement, as necessary, any prehearing testimony that is provided.

(b) Prior decisions. Prior decisions of the former Environmental Board, the former Water Resources Board, the former Waste Facilities Panel, and the Environmental Division of the Superior Court shall be given the same weight and consideration as prior decisions of the Land Use Review Board.

(c) Appeals to Supreme Court. An appeal from a decision of the Board under subsection (a) of this section shall be to the Supreme Court by a party as set forth in subsection 6085(c) of this title.

(d) Objections. No objection that has not been raised before the Board may be considered by the Supreme Court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances.

(e) Appeals of decisions. An appeal of a decision by the Board shall be allowed pursuant to 3 V.S.A. § 815, including the unreasonableness or insufficiency of the conditions attached to a permit. An appeal from the District Commission shall be allowed for any reason, except no appeal shall be allowed when an application has been granted and no hearing was requested.

(f) Precedent. Precedent from the former Environmental Board and of the Land Use Review Board that interpret this chapter shall be provided the same deference by the Supreme Court as precedents accorded to other Executive Branch agencies charged with administering their enabling act. On appeal to the Supreme Court from the Land Use Review Board, decisions of the Land Use Review Board interpreting this act also shall be accorded that deference.

(g) Clearly erroneous. Upon appeal to the Supreme Court, the Board's findings of fact shall be accepted unless clearly erroneous.

(h) Completion of case. A case shall be deemed completed when the Board enters a final decision even though that decision is appealed to the Supreme Court and remanded by that Court.

(i) Court of record; jurisdiction. The Board shall have the powers of a court of record in the determination and adjudication of all matters within its jurisdiction. It may initiate proceedings on any matter within its jurisdiction. It may render judgments and enforce the same by any suitable process issuable by courts in this State. An order issued by the Board on any matter within its jurisdiction shall have the effect of a judicial order. The Board's jurisdiction shall include:

(1) the issuance of declaratory rulings on the applicability of this chapter and rules or orders issued under this chapter, pursuant to 3 V.S.A. § 808; and

(2) the issuance of decisions on appeals pursuant to this section and section 6007 of this title.

Sec. 11. 10 V.S.A. § 6007 is amended to read:

§ 6007. ACT 250 DISCLOSURE STATEMENT; JURISDICTIONAL DETERMINATION

* * *

(c) With respect to the partition or division of land, or with respect to an activity that might or might not constitute development, any person may

submit to the district coordinator an "Act 250 Disclosure Statement" and other information required by the rules of the Board and may request a jurisdictional opinion from the district coordinator concerning the applicability of this chapter. If a requestor wishes a final determination to be rendered on the question, the district coordinator, at the expense of the requestor and in accordance with rules of the Board, shall publish notice of the issuance of the opinion in a local newspaper generally circulating in the area where the land that is the subject of the opinion is located and shall serve the opinion on all persons listed in subdivisions 6085(c)(1)(A) through (D) of this title. In addition, the requestor who is seeking a final determination shall consult with the district coordinator and obtain approval of a subdivision 6085(c)(1)(E) list of persons who shall be notified by the district coordinator because they are adjoining property owners or other persons who would be likely to be able to demonstrate a particularized interest protected by this chapter that may be affected by an act or decision by a District Commission.

(d) A person who seeks review of a jurisdictional opinion issued by a district coordinator shall bring to the Board an appeal of issues addressed in the opinion.

(1) The appellant shall provide notice of the filing of an appeal to each person entitled to notice under subdivisions 6085(c)(1)(A) through (D) of this title and to each person on an approved subdivision 6085(c)(1)(E) list.

(2) Failure to appeal within 30 days following the issuance of the jurisdictional opinion shall render the decision of the district coordinator under subsection (c) of this section the final determination regarding jurisdiction unless the underlying jurisdictional opinion was not properly served on persons listed in subdivisions 6085(c)(1)(A) through (D) of this title and on persons on a subdivision 6085(c)(1)(E) list approved under subsection (c) of this section.

Sec. 12. 10 V.S.A. § 6083a is amended to read:

§ 6083a. ACT 250 FEES

* * *

(i) All persons filing an appeal, cross appeal, or petition from a District Commission decision or jurisdictional opinion shall pay a fee of \$295.00, plus publication costs, unless the Board approves a waiver of fees based on indigency.

(j) Any municipality filing an application for a Tier 1A area status shall pay a fee of \$295.00.

(k) Any regional planning commission filing a regional plan or future land use map to be reviewed by the Board shall pay a fee of \$295.00.

* * * Appeals * * *

Sec. 13. 10 V.S.A. chapter 220 is amended to read:

CHAPTER 220. CONSOLIDATED ENVIRONMENTAL APPEALS

§ 8501. PURPOSE

It is the purpose of this chapter to:

(1) consolidate existing appeal routes for municipal zoning and subdivision decisions and acts or decisions of the Secretary of Natural Resources, ~~district environmental coordinators, and District Commissions,~~ excluding enforcement actions brought pursuant to chapters 201 and 211 of this title and the adoption of rules under 3 V.S.A. chapter 25;

(2) standardize the appeal periods, the parties who may appeal these acts or decisions, and the ability to stay any act or decision upon appeal, taking into account the nature of the different programs affected;

~~(3) encourage people to get involved in the Act 250 permitting process at the initial stages of review by a District Commission by requiring participation as a prerequisite for an appeal of a District Commission decision to the Environmental Division;~~

~~(4) assure~~ ensure that clear appeal routes exist for acts and decisions of the Secretary of Natural Resources; and

~~(5)~~(4) consolidate appeals of decisions related to renewable energy generation plants and telecommunications facilities with review under, respectively, 30 V.S.A. §§ 248 and 248a, with appeals and consolidation of proceedings pertaining to telecommunications facilities occurring only while 30 V.S.A. § 248a remains in effect.

§ 8502. DEFINITIONS

As used in this chapter:

(1) ~~“District Commission” means a District Environmental Commission established under chapter 151 of this title. [Repealed.]~~

(2) ~~“District coordinator” means a district environmental coordinator attached to a District Commission established under chapter 151 of this title. [Repealed.]~~

(3) “Environmental Court” or “Environmental Division” means the Environmental Division of the Superior Court established by 4 V.S.A. § 30.

(4) ~~“Natural Resources Land Use Review Board”~~ or “Board” means the Board established under chapter 151 of this title.

(5) “Party by right” means the following:

(A) the applicant;

(B) the landowner, if the applicant is not the landowner;

(C) the municipality in which the project site is located and the municipal and regional planning commissions for that municipality;

(D) if the project site is located on a boundary, any Vermont municipality adjacent to that border and the municipal and regional planning commissions for that municipality;

(E) the solid waste management district in which the land is located, if the development or subdivision constitutes a facility pursuant to subdivision 6602(10) of this title; and

(F) any State agency affected by the proposed project.

(6) “Person” means any individual; partnership; company; corporation; association; joint venture; trust; municipality; the State of Vermont or any agency, department, or subdivision of the State; any federal agency; or any other legal or commercial entity.

(7) “Person aggrieved” means a person who alleges an injury to a particularized interest protected by the provisions of law listed in section 8503 of this title, attributable to an act or decision by ~~a district coordinator, District Commission,~~ the Secretary, or the Environmental Division that can be redressed by the Environmental Division or the Supreme Court.

(8) “Secretary” means the Secretary of Natural Resources or the Secretary’s duly authorized representative. As used in this chapter, “Secretary” ~~shall also mean~~ means the Commissioner of Environmental Conservation, the Commissioner of Forests, Parks and Recreation, and the Commissioner of Fish and Wildlife, with respect to those statutes that refer to the authority of that commissioner or department.

§ 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:

* * *

(b) ~~This chapter shall govern:~~

~~(1) all appeals from an act or decision of a District Commission under chapter 151 of this title, excluding appeals of application fee refund requests;~~

~~(2) appeals from an act or decision of a district coordinator under subsection 6007(c) of this title;~~

~~(3) appeals from findings of fact and conclusions of law issued by the Natural Resources Board in its review of a designated growth center for conformance with the criteria of subsection 6086(a) of this title, pursuant to authority granted at 24 V.S.A. § 2793e(f). [Repealed.]~~

(c) This chapter shall govern all appeals arising under 24 V.S.A. chapter 117, the planning and zoning chapter.

(d) This chapter shall govern all appeals from an act or decision of the Environmental Division under this chapter.

(e) This chapter shall not govern appeals from rulemaking decisions by the Natural Resources Land Use Review Board under chapter 151 of this title or enforcement actions under chapters 201 and 211 of this title.

(f) This chapter shall govern all appeals of acts or decisions of the legislative body of a municipality arising under 24 V.S.A. chapter 61, subchapter 10, relating to the municipal certificate of approved location for salvage yards.

(g) This chapter shall govern all appeals of an act or decision of the Secretary of Natural Resources that a solid waste implementation plan for a municipality proposed under 24 V.S.A. § 2202a conforms with the State Solid Waste Implementation Plan adopted pursuant to section 6604 of this title.

§ 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

(a) ~~Act 250 and Agency~~ appeals. Within 30 days of the date of following the act or decision, any person aggrieved by an act or decision of the Secretary, ~~a District Commission, or a district coordinator~~ under the provisions of law listed in section 8503 of this title, or any party by right, may appeal to the Environmental Division, except for an act or decision of the Secretary under subdivision 6086b(3)(E) of this title or governed by section 8506 of this title.

* * *

(c) Notice of the filing of an appeal.

~~(1) Upon filing an appeal from an act or decision of the District Commission, the appellant shall notify all parties who had party status as of the end of the District Commission proceeding, all friends of the Commission, and the Natural Resources Board that an appeal is being filed. In addition, the~~

~~appellant shall publish notice not more than 10 days after providing notice as required under this subsection, at the appellant's expense, in a newspaper of general circulation in the area of the project that is the subject of the decision. [Repealed.]~~

* * *

~~(d) Requirement to participate before the District Commission or the Secretary.~~

~~(1) Participation before District Commission.—An aggrieved person shall not appeal an act or decision that was made by a District Commission unless the person was granted party status by the District Commission pursuant to subdivision 6085(c)(1)(E) of this title, participated in the proceedings before the District Commission, and retained party status at the end of the District Commission proceedings. In addition, the person may only appeal those issues under the criteria with respect to which the person was granted party status. However, notwithstanding these limitations, an aggrieved person may appeal an act or decision of the District Commission if the Environmental judge determines that:~~

~~(A) there was a procedural defect that prevented the person from obtaining party status or participating in the proceeding;~~

~~(B) the decision being appealed is the grant or denial of party status;~~

~~or~~

~~(C) some other condition exists that would result in manifest injustice if the person's right to appeal was disallowed. [Repealed.]~~

~~(2) Participation before the Secretary.~~

* * *

~~(e) Act 250 jurisdictional determinations by a district coordinator.~~

~~(1) The appellant shall provide notice of the filing of an appeal to each person entitled to notice under subdivisions 6085(c)(1)(A) through (D) of this title, to each person on an approved subdivision 6085(c)(1)(E) list, and to the Natural Resources Board.~~

~~(2) Failure to appeal within the time required under subsection (a) of this section shall render the decision of the district coordinator under subsection 6007(c) of this title the final determination regarding jurisdiction under chapter 151 of this title unless the underlying jurisdictional opinion was not properly served on persons listed in subdivisions 6085(c)(1)(A) through (D) of this title and on persons on a subdivision 6085(c)(1)(E) list approved under subsection 6007(c) of this title. [Repealed.]~~

* * *

(g) Consolidated appeals. The Environmental Division may consolidate or coordinate different appeals where those appeals all relate to the same project.

* * *

~~(i) Deference to Agency technical determinations. In the adjudication of appeals relating to land use permits under chapter 151 of this title, technical determinations of the Secretary shall be accorded the same deference as they are accorded by a District Commission under subsection 6086(d) of this title. [Repealed.]~~

* * *

(k) Limitations on appeals. Notwithstanding any other provision of this section:

~~(1) there shall be no appeal from a District Commission decision when the Commission has issued a permit and no hearing was requested or held, or no motion to alter was filed following the issuance of an administrative amendment;~~

(2) a municipal decision regarding whether a particular application qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject to appeal;

~~(3) if a District Commission issues a partial decision under subsection 6086(b) of this title, any appeal of that decision must be taken within 30 days of the date of that decision.~~

(l) Representation. The Secretary may represent the Agency of Natural Resources in all appeals under this section. ~~The Chair of the Natural Resources Board may represent the Board in any appeal under this section, unless the Board directs otherwise. If more than one State agency, other than the Board, either appeals or seeks to intervene in an appeal under this section, only the Attorney General may represent the interests of those agencies of the State in the appeal.~~

(m) Precedent. Prior decisions of the former Environmental Board, Water Resources Board, and Waste Facilities Panel shall be given the same weight and consideration as prior decisions of the Environmental Division.

(n) Intervention. Any person may intervene in a pending appeal if that person:

(1) appeared as a party in the action appealed from and retained party status;

- (2) is a party by right;
- (3) is the Natural Resources Board; [Repealed.]
- (4) is a person aggrieved, as defined in this chapter;
- (5) qualifies as an “interested person,” as established in 24 V.S.A. § 4465, with respect to appeals under 24 V.S.A. chapter 117; or
- (6) meets the standard for intervention established in the Vermont Rules of Civil Procedure.

(o) With respect to review of an act or decision of the Secretary pursuant to 3 V.S.A. § 2809, the Division may reverse the act or decision or amend an allocation of costs to an applicant only if the Division determines that the act, decision, or allocation was arbitrary, capricious, or an abuse of discretion. In the absence of such a determination, the Division shall require the applicant to pay the Secretary all costs assessed pursuant to 3 V.S.A. § 2809.

(p) Administrative record. The Secretary shall certify the administrative record as defined in chapter 170 of this title and shall transfer a certified copy of that record to the Environmental Division when:

~~(1) there is an appeal of an act or decision of the Secretary that is based on that record; or~~

~~(2) there is an appeal of a decision of a District Commission, and the applicant used a decision of the Secretary based on that record to create a presumption under a criterion of subsection 6086(a) of this title that is at issue in the appeal.~~

§ 8505. APPEALS TO THE SUPREME COURT

(a) Any person aggrieved by a decision of the Environmental Division pursuant to this subchapter, any party by right, or any person aggrieved by a decision of the Land Use Review Board may appeal to the Supreme Court within 30 days ~~of following~~ the date of the entry of the order or judgment appealed from, provided that:

(1) the person was a party to the proceeding before the Environmental Division; ~~or~~

(2) the decision being appealed is the denial of party status; or

(3) the Supreme Court determines that:

(A) there was a procedural defect that prevented the person from participating in the proceeding; or

(B) some other condition exists that would result in manifest injustice if the person’s right to appeal were disallowed.

* * *

* * * Environmental Division * * *

Sec. 14. 4 V.S.A. § 34 is amended to read:

§ 34. JURISDICTION; ENVIRONMENTAL DIVISION

The Environmental Division shall have:

- (1) jurisdiction of matters arising under 10 V.S.A. chapters 201 and 220;
and
- (2) jurisdiction of matters arising under 24 V.S.A. chapter 61, subchapter 12 and 24 V.S.A. chapter 117; and
- ~~(3) original jurisdiction to revoke permits under 10 V.S.A. chapter 151.~~

* * * Transition; Revision Authority * * *

Sec. 15. LAND USE REVIEW BOARD POSITIONS; APPROPRIATION

(a) The following new positions are created at the Land Use Review Board for the purposes of carrying out this act:

- (1) two Staff Attorneys; and
- (2) four full-time Land Use Review Board members.

(b) In fiscal year 2025, \$112,500.00 is appropriated from the General Fund to the Natural Resources Board for the attorney positions established in subdivision (a)(1) of this section.

Sec. 16. NATURAL RESOURCES BOARD TRANSITION

(a) The Governor shall appoint the members of Land Use Review Board on or before July 1, 2025, and the terms of any Natural Resources Board member not appointed consistent with the requirements of 10 V.S.A. § 6021(a)(1)(A) or (B) shall expire on that day.

(b) As of July 1, 2025, all appropriations and employee positions of the Natural Resources Board are transferred to the Land Use Review Board.

(c) The Land Use Review Board shall adopt rules of procedure for its hearing process pursuant to 10 V.S.A. § 6025(a) on or before October 1, 2026.

Sec. 17. ENVIRONMENTAL DIVISION; CONTINUED JURISDICTION

Notwithstanding the repeal of its jurisdictional authority to hear appeals relative to land use permits under Sec. 13 of this act, the Environmental Division of the Superior Court shall continue to have jurisdiction to complete its consideration of any appeal that is pending before it as of October 1, 2026 if the act or appeal has been filed. The Land Use Review Board shall have

authority to be a party in any appeals pending under this section until October 1, 2026.

Sec. 18. REVISION AUTHORITY

In preparing the Vermont Statutes Annotated for publication in 2025, the Office of Legislative Counsel shall replace all references to the “Natural Resources Board” with the “Land Use Review Board” in Title 3, Title 10, Title 24, Title 29, Title 30, and Title 32.

* * * Forest Blocks * * *

Sec. 19. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(47) “Habitat connector” means land or water, or both, that links patches of habitat within a landscape, allowing the movement, migration, and dispersal of wildlife and plants and the functioning of ecological processes. A habitat connector may include features including recreational trails and improvements constructed for farming, logging, or forestry purposes.

(48) “Forest block” means a contiguous area of forest in any stage of succession and not currently developed for nonforest use. A forest block may include features including recreational trails, wetlands, or other natural features that do not themselves possess tree cover and improvements constructed for farming, logging, or forestry purposes.

(49) “Habitat” means the physical and biological environment in which a particular species of plant or wildlife lives.

Sec. 20. 10 V.S.A. § 6086(a)(8) is amended to read:

(8) Ecosystem protection; scenic beauty; historic sites.

(A) Scenic beauty, historic sites, and rare and irreplaceable natural areas. Will not have an undue adverse effect on the scenic or natural beauty of the area, aesthetics, historic sites, or rare and irreplaceable natural areas.

(A)(B) Necessary wildlife habitat and endangered species. A permit will not be granted if it is demonstrated by any party opposing the applicant that a development or subdivision will destroy or significantly imperil necessary wildlife habitat or any endangered species; ~~and:~~

(i) the economic, social, cultural, recreational, or other benefit to the public from the development or subdivision will not outweigh the economic, environmental, or recreational loss to the public from the destruction or imperilment of the habitat or species; or

(ii) all feasible and reasonable means of preventing or lessening the destruction, diminution, or imperilment of the habitat or species have not been or will not continue to be applied; or

(iii) a reasonably acceptable alternative site is owned or controlled by the applicant which would allow the development or subdivision to fulfill its intended purpose.

(C) Forest blocks and habitat connectors. A permit will not be granted for a development or subdivision within or partially within a forest block or habitat connector unless the applicant demonstrates that a project will not result in an undue adverse impact on the forest block or habitat connector. If a project as proposed would result in an undue adverse impact, a permit may only be granted if effects are avoided, minimized, or mitigated as allowed in accordance with rules adopted by the Board.

Sec. 21. CRITERION 8(C) RULEMAKING

(a) The Land Use Review Board (Board), in collaboration with the Agency of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6086(a)(8)(C). It is the intent of the General Assembly that these rules discourage fragmentation of the forest blocks and habitat connectors by encouraging clustering of development. Rules adopted by the Board shall include:

(1) How forest blocks and habitat connectors are further defined, including their size, location, and function, which may include:

(A) information that will be available to the public to determine where forest blocks and habitat connectors are located; or

(B) advisory mapping resources, how they will be made available, how they will be used, and how they will be updated.

(2) Standards establishing how impacts can be avoided or minimized, including how fragmentation of forest blocks or habitat connectors is avoided or minimized, which may include steps to promote proactive site design of buildings, roadways and driveways, utility location, and location relative to existing features such as roads, tree lines, and fence lines.

(3)(A) As used in this section “fragmentation” generally means dividing land that has naturally occurring vegetation and ecological processes into smaller areas as a result of land uses that remove vegetation and create physical barriers that limit species’ movement and interrupt ecological processes between previously connected natural vegetation. However, the rules shall further define “fragmentation” for purposes of avoiding, minimizing, and mitigating undue adverse impacts on forest blocks and habitat

connectors. "Fragmentation" does not include the division or conversion of a forest block or habitat connector by an unpaved recreational trail or by improvements constructed for farming, logging, or forestry purposes below the elevation of 2,500 feet.

(B) As used in this subsection (a), "recreational trail" has the same meaning as "trails" in 10 V.S.A. § 442.

(4) Criteria to identify the circumstances when a forest block or habitat connector is eligible for mitigation. As part of this, the criteria shall identify the circumstances when the function, value, unique sensitivity, or location of the forest block or habitat connector would not allow mitigation.

(5) Standards for how impacts to a forest block or habitat connector may be mitigated. Standards may include:

(A) appropriate ratios for compensation;

(B) appropriate forms of compensation such as conservation easements, fee interests in land, and other forms of compensation; and

(C) appropriate uses of on-site and off-site mitigation.

(b) The Board shall convene a working group of stakeholders to provide input to the rule prior to prefilng with the Interagency Committee on Administrative Rules. The Board shall convene the working group on or before July 1, 2025.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before June 15, 2026.

Sec. 22. 10 V.S.A. § 127 is amended to read:

§ 127. RESOURCE MAPPING

(a) ~~On or before January 15, 2013, the~~ The Secretary of Natural Resources shall complete and maintain resource mapping based on the Geographic Information System (GIS) or other technology. The mapping shall identify natural resources throughout the State, including forest blocks and habitat connectors, that may be relevant to the consideration of energy projects and projects subject to chapter 151 of this title. The Center for Geographic Information shall be available to provide assistance to the Secretary in carrying out the GIS-based resource mapping.

(b) The Secretary of Natural Resources shall consider the GIS-based resource maps developed under subsection (a) of this section when providing evidence and recommendations to the Public Utility Commission under

30 V.S.A. § 248(b)(5) and when commenting on or providing recommendations under chapter 151 of this title to District Commissions on other projects.

(c) The Secretary shall establish and maintain written procedures that include a process and science-based criteria for updating resource maps developed under subsection (a) of this section. Before establishing or revising these procedures, the Secretary shall provide opportunities for affected parties and the public to submit relevant information and recommendations.

* * * Wood Products Manufacturers * * *

Sec. 23. 10 V.S.A. § 6093 is amended to read:

§ 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

(a) Mitigation for loss of primary agricultural soils. Suitable mitigation for the conversion of primary agricultural soils necessary to satisfy subdivision 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.

* * *

(5) Wood products manufacturers. Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils by a wood products manufacturing facility shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1 protected acres to acres of affected primary agricultural soil.

* * *

* * * Road Rule * * *

Sec. 24. 10 V.S.A. § 6001(3)(A)(xii) is added to read:

(xii) The construction of a road or roads and any associated driveways to provide access to or within a tract of land owned or controlled by a person. For the purposes of determining jurisdiction under this subdivision, any new development or subdivision on a parcel of land that will be provided access by the road and associated driveways is land involved in the construction of the road.

(I) Jurisdiction under this subdivision shall not apply unless the length of any single road is greater than 800 feet, or the length of all roads and any associated driveways in combination is greater than 2,000 feet.

(II) As used in this subdivision (xii), “roads” shall include any new road or improvement to a class 4 town highway by a person other than a

municipality, including roads that will be transferred to or maintained by a municipality after their construction or improvement.

(III) For the purpose of determining the length of any road and associated driveways, the length of all other roads and driveways within the tract of land constructed after July 1, 2026 shall be included.

(IV) This subdivision (xi) shall not apply to:

(aa) a State or municipal road, a utility corridor of an electric transmission or distribution company, or a road used primarily for farming or forestry purposes; and

(bb) development within a Tier 1A area established in accordance with section 6034 of this title or a Tier 1B area established in accordance with section 6033 of this title

(V) The conversion of a road used for farming or forestry purposes that also meets the requirements of this subdivision (xi) shall constitute development.

(VI) The intent of this subdivision (xii) is to encourage the design of clustered subdivisions and development that does not fragment Tier 2 areas or Tier 3 areas.

Sec. 25. RULEMAKING; ROAD CONSTRUCTION

The Natural Resources Board may adopt rules after consulting with stakeholders, providing additional specificity to the necessary elements of 10 V.S.A. § 6001(3)(A)(xii). It is the intent of the General Assembly that any rules encourage the design of clustered subdivisions and development that does not fragment Tier 2 areas or Tier 3 areas.

* * * Location-Based Jurisdiction * * *

Sec. 26. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(3)(A) “Development” means each of the following:

(i) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than 10 acres of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has adopted permanent zoning and subdivision bylaws.

(ii) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has not adopted permanent zoning and subdivision bylaws.

(iii) The construction of improvements for commercial or industrial purposes on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a municipality that has adopted permanent zoning and subdivision bylaws, if the municipality in which the proposed project is located has elected by ordinance, adopted under 24 V.S.A. chapter 59, to have this jurisdiction apply.

(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:

* * *

(vi) The construction of improvements for commercial, industrial, or residential use at or above the elevation of 2,500 feet.

* * *

(xiii) The construction of improvements for commercial, industrial, or residential purposes in a Tier 3 area as determined by rules adopted by the Board.

* * *

(45) “Tier 2” means an area that is not a Tier 1 area or a Tier 3 area.

(46) “Tier 3” means an area consisting of critical natural resources defined by the rules of the Board. The Board’s rules shall at a minimum determine whether and how to protect river corridors, headwater streams, habitat connectors of statewide significance, riparian areas, class A waters, natural communities, and other critical natural resources.

Sec. 27. TIER 3 RULEMAKING

(a) The Land Use Review Board, in consultation with the Secretary of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6001(3)(A)(xiii) and 10 V.S.A. § 6001(46). It is the intent of the General Assembly that these rules identify critical natural resources for protection. The Board shall review the definition of Tier 3 area,

determine the critical natural resources that shall be included in Tier 3, giving due consideration to river corridors, headwater streams, habitat connectors of statewide significance, riparian areas, class A waters, natural communities, recommend any additional critical natural resources that should be added to the definition, and how to define the boundaries. Rules adopted by the Board shall include:

(1) any necessary clarifications to how the Tier 3 definition is used in 10 V.S.A. chapter 151;

(2) any necessary changes to how 10 V.S.A. § 6001(3)(A)(xiii) should be administered, and when jurisdiction should be triggered to protect the functions and values of resources of critical natural resources;

(3) the process for how Tier 3 areas will be mapped or identified by the Agency of Natural Resources and the Board; and

(4) other policies or programs that shall be developed to review development impacts to Tier 3 areas if they are not included in 10 V.S.A. § 6001(46).

(b) On or before January 1, 2025, the Board shall convene a working group of stakeholders to provide input to the rule prior to pre-filing with the Interagency Committee on Administrative Rules. The working group shall include representation from regional planning commissions, environmental groups, science and ecological research organizations, woodland or forestry organizations, the Vermont Housing and Conservation Board, the Vermont Chamber of Commerce, the League of Cities of Towns, the Land Access and Opportunity Board, and other stakeholders, such as the Vermont Ski Areas Association, the Department of Taxes, Division of Property Valuation and Review, the Department of Forests, Parks and Recreation, the Department of Environmental Conservation, the Department of Fish and Wildlife, the Vermont Woodlands Association, and the Professional Logging Contractors of the Northeast.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before February 1, 2026.

(d) During the rule development, the stakeholder group established under subsection (b) of this section shall solicit participation from representatives of municipalities and landowners that host Tier 3 critical resource areas on their properties to determine the responsibilities and education needed to understand, manage, and interact with the resources.

* * * Tier 1 Areas * * *

Sec. 28. 10 V.S.A. § 6001(3)(A)(xi) is amended to read:

~~(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.~~

Sec. 29. 10 V.S.A. § 6001(3)(D)(viii)(III) is amended to read:

(III) Notwithstanding any other provision of law to the contrary, until July 1, ~~2026~~ 2027, the construction of a priority housing project located entirely within a designated downtown development district, designated neighborhood development area, or a designated growth center or within one-half mile around such designated center provided it is within the same municipality as the designated center.

Sec. 30. 2023 Acts and Resolves No. 47, Sec. 16a is amended to read:

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~~ 2027. The jurisdictional opinion shall require the project to substantially complete construction on or before June 30, 2029 in order to remain exempt.

Sec. 31. REPEAL

2023 Acts and Resolves No. 47, Sec. 19c is repealed.

Sec. 32. 10 V.S.A. § 6081(y) is added to read:

(y) ~~No~~ Until December 31, 2030, 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. 33. 10 V.S.A. § 6033 is added to read:

§ 6033. REGIONAL PLAN FUTURE LAND USE MAP REVIEW

(a) The Board shall review requests from regional planning commissions to approve or disapprove portions of future land use maps for the purposes of changing jurisdictional thresholds under this chapter by identifying areas on future land use maps for Tier 1B area status and to approve designations pursuant to 24 V.S.A. chapter 139. The Board may produce guidelines for regional planning commissions seeking Tier 1B area status. If requested by the regional planning commission, the Board shall complete this review concurrently with regional plan approval. A request for Tier 1B area status made by a regional planning commission separate from regional plan approval shall follow the process set forth in 24 V.S.A. § 4348.

(b) The Board shall review the portions of future land use maps that include downtowns or village centers, planned growth areas, and village areas to ensure they meet the requirements under 24 V.S.A. §§ 5803 and 5804 for designation as downtown and village centers and neighborhood areas.

(c) To obtain a Tier 1B area status under this section, the regional planning commission shall demonstrate to the Board that the municipalities with Tier 1B areas meet the requirements for village areas included in 24 V.S.A. § 4348a(a)(12)(C). A municipality may have multiple noncontiguous areas receive Tier 1B area status.

(d) A municipality that is eligible for Tier 1B status may formally request of the Board that they be excluded from Tier 1B area status if the municipality has elected by ordinance adopted under 24 V.S.A. chapter 59.

Sec. 34. 10 V.S.A. § 6034 is added to read:

§ 6034. TIER 1A AREA STATUS

(a) Application and approval.

(1) Beginning on January 1, 2026, a municipality, by resolution of its legislative body, may apply to the Land Use Review Board for Tier 1A status for the area of the municipality that is suitable for dense development and meets the requirements of subsection (b) of this section. A municipality may apply for multiple noncontiguous areas to be receive Tier 1A area status. Applications may be submitted at different times.

(2) The Board shall issue an affirmative determination on finding that the municipality meets the requirements of subsection (b) of this section within 45 days after the application is received.

(b) Tier 1A area status requirements.

(1) To obtain a Tier 1A area status under this section, a municipality shall demonstrate to the Board that

(A) The boundaries are consistent with downtown or village centers and planned growth areas as defined 24 V.S.A. § 4348a(a)(12) in an approved regional plan future land use map with any minor amendments.

(B) The municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with or stronger than the standards established pursuant to subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor) or the proposed Tier 1A area excludes the flood hazard areas and river corridor.

(C) Permanent zoning and subdivision bylaws that do not include broad exemptions that exclude significant private or public land development from requiring a municipal land use permit.

(D) The municipality has permanent land development regulations for the Tier 1A area that further the smart growth principles of 24 V.S.A. chapters 76A, adequately regulate the physical form and scale of development, and provide reasonable provision for a portion of the areas with sewer and water to allow at least four stories, and conform to the guidelines established by the Board.

(E) The Tier 1A area is compatible with the character of adjacent National Register Historic Districts, National or State Register Historic Sites, and other significant cultural and natural resources identified by local or State government.

(F) To the extent that they are not covered under State permits, the municipality has identified and planned for the maintenance of significant natural communities, rare, threatened, and endangered species located in the Tier 1A area or excluded those areas from the Tier 1 A area.

(G) Public water and wastewater systems or planned improvements have the capacity to support additional development within the Tier 1A area.

(2) If any party entitled to notice under subdivision (c)(3)(A) of this section or any resident of the municipality raises concerns about the municipality's compliance with the requirements, those concerns shall be addressed as part of the municipality's application.

(c) Process for issuing determinations of Tier 1A area status.

(1) A preapplication meeting shall be held with the Board staff, municipal staff, and staff of the relevant regional planning commission (RPC) to review the requirements of subsection (b) of this section. The meeting shall be held in person or electronically.

(2) An application by the municipality shall include the information and analysis required by the Board's guidelines on how to meet the requirements of subsection (b) of this section.

(3) After receipt of a complete final application, the Land Use Review Board shall convene a public hearing in the municipality to consider whether to issue a determination of Tier 1A area status under this section.

(A) Notice.

(i) At least 35 days in advance of the Board's meeting, the regional planning commission shall post notice of the meeting on its website.

(ii) The municipality shall publish notice of the meeting 30 days and 15 days in advance of the Board's meeting in a newspaper of general circulation in the municipality, and deliver physically or electronically, with proof of receipt or by certified mail, return receipt requested to the Agency of Natural Resources; the Division for Historic Preservation; the Agency of Agriculture, Food and Markets; the Agency of Transportation; the regional planning commission; the regional development corporations; and the entities providing educational, police, and fire services to the municipality.

(iii) The notice shall also be posted by the municipality in or near the municipal clerk's office and in at least two other designated public places in the municipality, on the websites of the municipality and the regional planning commission, and on any relevant e-mail lists or social media that the municipality uses.

(iv) The municipality shall also certify in writing that the notice required by this subsection (c) has been published, delivered, and posted within the specified time.

(v) Notice of an application for Tier 1A area status shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:

(I) the chair of the legislative body of each adjoining municipality;

(II) the executive director of each abutting regional planning commission;

(III) the Department of Housing and Community Development and the Community Investment Board for a formal review and comment; and

(IV) business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned.

(B) No defect in the form or substance of any requirements of this subsection (c) shall invalidate the action of the Board where reasonable efforts are made to provide adequate posting and notice. However, the action shall be invalid when the defective posting or notice was materially misleading in content. If an action is ruled to be invalid by the Superior Court or by the Board itself, the municipality shall issue new posting and notice, and the Board shall hold a new hearing and take a new action.

(4) The Board may recess the proceedings on any application pending submission of additional information. The Board shall close the proceedings promptly after all parties have submitted the requested information.

(5) The Board shall issue its determination in writing. The determination shall include explicit findings on each of the requirements in subsection (b) of this section.

(d) Review of status.

(1) Initial determination of status may be made at any time. Thereafter, review of a status shall occur every eight years with a check-in after four years.

(2) The Board, on its motion, may review compliance with the Tier 1A area requirements at more frequent intervals.

(3) If at any time the Board determines that the Tier 1A area no longer meets the standards for the status, it shall take one of the following actions:

(A) require corrective action within a reasonable time frame; or

(B) terminate the status.

(e) Appeal.

(1) An interested person may appeal any act or decision of the Board under this section to the Supreme Court within 30 days following the act or decision.

(2) As used in this section, an “interested person” means any one of the following:

(A) A person owning title to or occupying property within or abutting the Tier 1A area.

(B) The municipality making the application or a municipality that adjoins the municipality making the application.

(C) The RPC for the region that includes the Tier 1A area or a RPC whose region adjoins the municipality in which the Tier 1A area is located.

(D) Any 20 persons who, by signed petition, allege that the decision is not in accord with the requirements of this chapter, and who own or occupy real property located within the municipality in which the Tier 1A area is located or an adjoining municipality. The petition must designate one person to serve as the representative of the petitioners regarding all matters related to the appeal. The designated representative must have participated in the public hearing described in subdivision (c)(3) of this section.

(E) Any person entitled to receive notice under this section that participated in the Board's hearing on an application.

Sec. 35. TIER 1A AREA GUIDELINES

On or before January 1, 2026, the Land Use Review Board shall publish guidelines to direct municipalities seeking to obtain the Tier 1A area status.

Sec. 36. 24 V.S.A. § 4382 is amended to read:

§ 4382. THE PLAN FOR A MUNICIPALITY

(a) A plan for a municipality 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:

* * *

(2) A land use plan, which shall consist of a map and statement of present and prospective land uses, that:

* * *

(C) Identifies those areas, if any, proposed for designation under chapter 76A of this title and for status under 10 V.S.A. §§ 6033 and 6034, together with, for each area proposed for designation, an explanation of how the designation would further the plan's goals and the goals of section 4302 of this title, and how the area meets the requirements for the type of designation to be sought.

* * *

Sec. 37. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

* * *

(z)(1) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required for any subdivision, development, or change to an existing project that is located entirely within a Tier 1A area under section 6034 of this chapter.

(2) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required within a Tier 1B area approved by the Board under section 6033 of this chapter for 50 units or fewer of housing on a tract or tracts of land involving 10 acres or less or for mixed-use development with 50 units or fewer of housing on a tract or tracts of land involving 10 acres or less.

(3) Upon receiving notice and a copy of the permit issued by an appropriate municipal panel pursuant to 24 V.S.A. § 4460(f), a previously issued permit for a development or subdivision located in a Tier 1A area shall remain attached to the property. However, neither the Board nor the Agency of Natural Resources shall enforce the permit or assert amendment jurisdiction on the tract or tracts of land unless the designation is revoked or the municipality has not taken any reasonable action to enforce the conditions of the permit.

(aa) No permit amendment is required for the construction of improvements for a hotel or motel converted to permanently affordable housing developments as defined in 24 V.S.A. § 4303(2).

(bb) Until July 1, 2027, no permit or permit amendment is required for the construction of improvements for an accessory dwelling unit as defined in 24 V.S.A. §§ 4303 and 4412.

(cc) Until July 1, 2027, no permit amendment is required for the construction of improvements for converting a structure used for a commercial purpose to 29 or fewer housing units.

(dd) Interim housing exemptions.

(1) Notwithstanding any other provision of law to the contrary, until July 1, 2027, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 75 or units fewer, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district or within one-half mile of its boundary provided it is located within the same municipality, a designated new town center, a designated growth center, or a designated neighborhood development area. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within in mapped river corridors and floodplains.

(2) Notwithstanding any other provision of law to the contrary, until July 1, 2027, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 50 or fewer units, constructed or maintained on a tract or tracts of

land of 10 acres or less, located entirely within a designated village center with permanent zoning and subdivision bylaws or within one-quarter mile of its boundary provided it is located within the same municipality or located entirely within areas of municipalities that are within a census-designated urbanized area with over 50,000 residents and within one-quarter miles of a transit route. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within in mapped river corridors and floodplains.

Sec. 38. 24 V.S.A. § 4460 is amended to read:

§ 4460. APPROPRIATE MUNICIPAL PANELS

* * *

(g)(1) This subsection shall apply to a subdivision or development that:

(A) was previously permitted pursuant to 10 V.S.A. chapter 151;

(B) is located in a Tier 1A area pursuant to 10 V.S.A. § 6034; and

(C) has applied for a permit or permit amendment required by zoning regulations or bylaws adopted pursuant to this subchapter.

(2) The appropriate municipal panel reviewing a municipal permit or permit amendment pursuant to this subsection shall include conditions contained within a permit previously issued pursuant to 10 V.S.A. chapter 151 unless the panel determines that the permit condition pertains to any of the following:

(A) the construction phase of the project that has already been constructed;

(B) compliance with another State permit that has independent jurisdiction;

(C) federal or State law that is no longer in effect or applicable;

(D) an issue that is addressed by municipal regulation and the project will meet the municipal standards; or

(E) a physical or use condition that is no longer in effect or applicable or that will no longer be in effect or applicable once the new project is approved.

(3) After issuing or amending a permit containing conditions pursuant to this subsection, the appropriate municipal panel shall provide notice and a copy of the permit to the Land Use Review Board.

(4) The appropriate municipal panel shall comply with the notice and hearing requirements provided in subdivision 4464(a)(1) of this title. In

addition, notice shall be provided to those persons requiring notice under 10 V.S.A. § 6084(b) and shall explicitly reference the existing Act 250 permit.

(5) The appropriate municipal panel's decision shall be issued in accordance with subsection 4464(b) of this title and shall include specific findings with respect to its determinations pursuant to subdivision (2) of this subsection.

(6) Any final action by the appropriate municipal panel affecting a condition of a permit previously issued pursuant to 10 V.S.A. chapter 151 shall be recorded in the municipal land records.

(h) Within a Tier 1A area, the appropriate municipal panel shall enforce any existing permits issued under 10 V.S.A. chapter 151 that has not had its permit conditions transferred to a municipal permit pursuant to subsection (g) of this section.

Sec. 39. TIER 2 AREA REPORT

(a) On or before February 15, 2026, the Land Use Review Board, shall report recommendations to address Act 250 jurisdiction in Tier 2 areas. The recommendations shall:

(1) recommend statutory changes to address fragmentation of rural and working lands while allowing for development;

(2) address how to apply location-based jurisdiction to Tier 2 areas while meeting the statewide planning goals, including how to address commercial development and which shall also include:

(A) review of the effectiveness of mitigation of impacts on primary agricultural soils and making recommendations for how to improve protections for this natural resource;

(B) review of the effectiveness of jurisdictional triggers for development of retail and service businesses outside village centers, and criterion 9(L), in addressing sprawl and strip development, and how to improve the effectiveness of criterion 9(L); and

(C) review of whether and how Act 250 jurisdiction over commercial activities on farms should be revised, including accessory on-farm businesses.

(b) The report shall be submitted to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and Energy and the Senate Committees on Agriculture and on Natural Resources and Energy.

Sec. 40. WOOD PRODUCTS MANUFACTURERS REPORT

(a) The Natural Resources Board, in consultation with the Department of

Forests, Parks and Recreation, shall convene a stakeholder group to report on how to address the Act 250 permitting process to better support wood products manufacturers and their role in the forest economy.

(b) The group shall examine the Act 250 permitting process and identify how the minor permit process provided for in 10 V.S.A. § 6084(g) has been working and whether there are shortcomings or challenges.

(c) The group may look at permitting holistically to understand the role of permits from the Agency of Natural Resources, municipal permits, where they apply, and Act 250 permits and develop recommendations to find efficiencies in the entire process or recommend an alternative permitting process for wood products manufacturers.

(d) On or before December 15, 2024, the Natural Resources Board shall submit the report to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and Energy and the Senate Committee on Natural Resources and Energy.

Sec. 41. LOCATION-BASED JURISDICTION REVIEW

On or before February 1, 2029, the Land Use Review Board shall review and report on the new Tier jurisdiction framework used to establish location-based jurisdiction for 10 V.S.A. chapter 151. The Board shall report on the outcomes and outline successes and any changes that are needed. The Board shall undertake an in-depth review of the Act 250 updates, including the duties and responsibilities of all the staff and the Board itself, specifically whether the updates have reduced appeals and whether the updates have created more equity and cohesion amongst the District Commissions and district coordinators.

Sec. 42. AFFORDABLE HOUSING DEVELOPMENT REGULATORY INCENTIVES STUDY

(a) The Department of Housing and Community Development, the Vermont Housing and Conservation Board, the Land Access and Opportunity Board, and the Vermont Housing Finance Agency shall:

(1) engage with diverse stakeholders including housing developers, local government officials, housing advocacy organizations, financial institutions, and community members to identify regulatory policies that incentivize mixed-income, mixed-use development and support affordable housing production as a percentage of new housing units in communities throughout the State, including examining the impact of inclusionary zoning; and

(2) develop recommendations for legislative, regulatory, and administrative actions to improve and expand affordable housing development incentives within State designated areas.

(b) On or before December 15, 2024, the Department of Housing and Community Development shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy and the House Committees on General and Housing and on Environment and Energy with its findings and recommendations.

Sec. 43. POSITION; DEPARTMENT OF FISH AND WILDLIFE

In fiscal year 2025, \$125,000.00 is appropriated from the General Fund to the Department of Fish and Wildlife, Wildlife Division for one new permanent classified Biologist position to assist the Department in supporting the implementation of this act.

* * * Future Land Use Maps * * *

Sec. 44. 24 V.S.A. § 4302 is amended to read:

§4302. PURPOSE; GOALS

* * *

(c) In addition, this chapter shall be used to further the following specific goals:

(1) To plan development so as to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside.

(A) Intensive residential development should be encouraged primarily in ~~areas related to community centers~~ downtown centers, village centers, planned growth areas, and village areas as described in section 4348a of this title, and strip development along highways should be ~~discouraged avoided~~. These areas should be planned so as to accommodate a substantial majority of housing needed to reach the housing targets developed for each region pursuant to subdivision 4348a(a)(9) of this title.

(B) Economic growth should be encouraged in locally and regionally designated growth areas, employed to revitalize existing village and urban centers, or both, ~~and should be encouraged in growth centers designated under chapter 76A of this title.~~

(C) Public investments, including the construction or expansion of infrastructure, should reinforce the ~~general character and~~ planned growth patterns of the area.

(D) Development should be undertaken in accordance with smart growth principles as defined in subdivision 2791(13) of this title.

* * *

(5) To identify, protect, and preserve important natural and historic features of the Vermont landscape, including:

(A) significant natural and fragile areas;

(B) outstanding water resources, including lakes, rivers, aquifers, shorelands, and wetlands;

(C) significant scenic roads, waterways, and views;

(D) important historic structures, sites, or districts, archaeological sites, and archaeologically sensitive areas.

(6) To maintain and improve the quality of air, water, wildlife, forests, and other land resources.

(A) Vermont's air, water, wildlife, mineral, and land resources should be planned for use and development according to the principles set forth in 10 V.S.A. § 6086(a).

(B) Vermont's water quality should be maintained and improved according to the policies and actions developed in the basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.

(C) Vermont's forestlands should be managed so as to maintain and improve forest blocks and habitat connectors.

* * *

(11) To ensure the availability of safe and affordable housing for all Vermonters.

(A) Housing should be encouraged to meet the needs of a diversity of social and income groups in each Vermont community, particularly for those citizens of low and moderate income, and consistent with housing targets provided for in subdivision 4348a(a)(9) of this title.

(B) New and rehabilitated housing should be safe, sanitary, located conveniently to employment and commercial centers, and coordinated with the provision of necessary public facilities and utilities.

(C) Sites for ~~multi-family~~ multifamily and manufactured housing should be readily available in locations similar to those generally used for single-family ~~conventional~~ dwellings.

(D) Accessory ~~apartments~~ dwelling units within or attached to single-family residences ~~which~~ that provide affordable housing in close proximity to cost-effective care and supervision for relatives, elders, or persons who have a disability should be allowed.

* * *

(14) To encourage flood resilient communities.

(A) New development in identified flood hazard, ~~fluvial erosion,~~ and river corridor protection areas should be avoided. If new development is to be built in such areas, it should not exaLURBate flooding and fluvial erosion.

(B) The protection and restoration of floodplains and upland forested areas that attenuate and moderate flooding and fluvial erosion should be encouraged.

(C) Flood emergency preparedness and response planning should be encouraged.

(15) To equitably distribute environmental benefits and burdens as described in 3 V.S.A. chapter 72.

* * *

Sec. 45. 24 V.S.A. § 4345a is amended to read:

§ 4345a. DUTIES OF REGIONAL PLANNING COMMISSIONS

A regional planning commission created under this chapter shall:

* * *

(5) Prepare a regional plan and amendments that are consistent with the goals established in section 4302 of this title, and compatible with approved municipal and adjoining regional plans. When preparing a regional plan, the regional planning commission shall:

(A) develop and carry out a process that will encourage and enable widespread citizen involvement and meaningful participation, as defined in 3 V.S.A. § 6002;

(B) develop a regional data base that is compatible with, useful to, and shared with the geographic information system established under 3 V.S.A. § 20;

(C) conduct capacity studies;

(D) identify areas of regional significance. Such areas may be, but are not limited to, historic sites, earth resources, rare and irreplaceable natural areas, recreation areas, and scenic areas;

~~(E) use a land evaluation and site assessment system, that shall at a minimum use the criteria established by the Secretary of Agriculture, Food and Markets under 6 V.S.A. § 8, to identify viable agricultural lands~~ consider the potential environmental benefits and environmental burdens, as defined in 3 V.S.A. §6002, of the proposed plan;

(F) consider the probable social and economic benefits and consequences of the proposed plan; and

(G) prepare a report explaining how the regional plan is consistent with the goals established in section 4302 of this title.

* * *

(11) Review proposed State capital expenditures prepared pursuant to 32 V.S.A. chapter 5 and the Transportation Program prepared pursuant to 19 V.S.A. chapter 1 for compatibility and consistency with regional plans and submit comments to the Secretaries of Transportation and Administration and the legislative committees of jurisdiction.

* * *

(17) As part of its regional plan, define a substantial regional impact, as the term may be used with respect to its region. This definition shall be given ~~due consideration~~ substantial deference, where relevant, in State regulatory proceedings.

* * *

Sec. 46. 24 V.S.A. § 4347 is amended to read:

§ 4347. PURPOSES OF REGIONAL PLAN

A regional plan shall be made with the general purpose of guiding and accomplishing a coordinated, efficient, equitable, and economic development of the region ~~which that~~ will, in accordance with the present and future needs and resources, best promote the health, safety, order, convenience, prosperity, and welfare of ~~the~~ current and future inhabitants as well as efficiency and economy in the process of development. This general purpose includes recommending a distribution of population and of the uses of the land for urbanization, trade, industry, habitation, recreation, agriculture, forestry, and other uses as will tend to:

(1) create conditions favorable to transportation, health, safety, civic activities, and educational and cultural opportunities;

(2) reduce the wastes of financial, energy, and human resources ~~which that~~ result from either excessive congestion or excessive scattering of population;

(3) promote an efficient and economic utilization of drainage, energy, sanitary, and other facilities and resources;

(4) promote the conservation of the supply of food, water, energy, and minerals;

(5) promote the production of food and fiber resources and the reasonable use of mineral, water, and renewable energy resources; and

(6) promote the development of housing suitable to the needs of the region and its communities; and

(7) help communities equitably build resilience to address the effects of climate change through mitigation and adaptation consistent with the Vermont Climate Action Plan adopted pursuant to 10 V.S.A. § 592 and 3 V.S.A. chapter 72.

Sec. 47. 24 V.S.A. § 4348 is amended to read:

§ 4348. ADOPTION AND AMENDMENT OF REGIONAL PLAN

(a) A regional planning commission shall adopt a regional plan. Any plan for a region, and any amendment thereof, shall be prepared by the regional planning commission. At the outset of the planning process and throughout the process, regional planning commissions shall solicit the participation of each of their member municipalities, local citizens, and organizations by holding informal working sessions that suit the needs of local people. The purpose of these working sessions is to allow for meaningful participation as defined in 3 V.S.A. § 6002, provide consistent information about new statutory requirements related to the regional plan, explain the reasons for new requirements, and gather information to be used in the development of the regional plan and future land use element.

(b) 60 days prior to holding the first public hearing on a regional plan, a regional planning commission shall submit a draft regional plan to the Land Use Review Board review and comments related to conformance of the draft with sections 4302 and 4348a of this title and chapter 139 of this title. The Board shall coordinate with other State agencies and respond within 60 days unless more time is granted by the regional planning commission.

(c) The regional planning commission shall hold two or more public hearings within the region after public notice on any proposed plan or amendment. The minimum number of required public hearings may be specified within the bylaws of the regional planning commission.

~~(e)~~(d)(1) At least 30 days prior to the first hearing, a copy of the proposed plan or amendment, a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter, and a description of any changes to the Regional Future Land Use Map with a request for general comments and for specific comments with respect to the extent to which the plan or amendment is consistent with the goals established in section 4302 of this title, shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:

~~(1)(A)~~ the chair of the legislative body or municipal manager, if any of each municipality within the region;

~~(2)(B)~~ the executive director of each abutting regional planning commission;

~~(3)(C)~~ the Department of Housing and Community Development within the Agency of Commerce and Community Development and the Community Investment Board for a formal review and comment;

~~(4)(D)~~ business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned; and

~~(5)(E)~~ the Agency of Natural Resources ~~and~~; the Agency of Agriculture, Food and Markets; the Agency of Transportation; the Department of Public Service; the Department of Public Safety's Division of Emergency Management; and the Land Use Review Board.

(2) At least 30 days prior to the first hearing, the regional planning commission shall provide each of its member municipalities with a written description of map changes within the municipality, a municipality-wide map showing old versus new areas with labels, and information about the new Tier structure under 10 V.S.A. chapter 151, including how to obtain Tier 1A or 1B status, and the process for updating designated area boundaries.

~~(d)(e)~~ Any of the foregoing bodies, or their representatives, may submit comments on the proposed regional plan or amendment to the regional planning commission; and may appear and be heard in any proceeding with respect to the adoption of the proposed plan or amendment.

~~(e)(f)~~ The regional planning commission may make revisions to the proposed plan or amendment at any time not less than 30 days prior to the final public hearing held under this section. If the proposal is changed, a copy of the proposed change shall be delivered physically ~~or~~; electronically with proof of receipt; or by certified mail, return receipt requested, to the chair of the legislative body of each municipality within the region; and to any individual or organization requesting a copy; at least 30 days prior to the final hearing.

~~(f)(g)~~ A regional plan or amendment shall be adopted by not less than a 60 percent vote of the commissioners representing municipalities, in accordance with the bylaws of the regional planning commission, ~~and immediately submitted to the legislative bodies of the municipalities that comprise the region. The plan or amendment shall be considered duly adopted and shall take effect 35 days after the date of adoption, unless, within 35 days of the date of adoption, the regional planning commission receives~~

~~certification from the legislative bodies of a majority of the municipalities in the region vetoing the proposed plan or amendment. In case of such a veto, the plan or amendment shall be deemed rejected.~~

(h)(1) Within 15 days following adoption, a regional planning commission shall submit its regionally adopted regional plan to the Land Use Review Board for a determination of regional plan compliance with a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter and a description of any changes to the regional plan future land use map.

(2) The Land Use Review Board shall hold a public hearing within 60 days after receiving a plan and provide notice of it at least 15 days in advance by direct mail or electronically with proof of receipt to the requesting regional planning commission, posting on the website of the Land Use Review Board, and publication in a newspaper of general circulation in the region affected. The regional planning commission shall notify its municipalities and post on its website the public hearing notice.

(3) The Land Use Review Board shall issue the determination in writing within 15 days after the close of the hearing on the plan. If the determination is affirmative, a copy of the determination shall be provided to the regional planning commission and the Community Investment Board. If the determination is negative, the Land Use Review Board shall state the reasons for denial in writing and, if appropriate, suggest acceptable modifications. Submissions for a new determination that follow a negative determination shall receive a new determination within 45 days.

(4) The Land Use Review Board's affirmative determination shall be based upon finding the regional plan meets the following requirements:

(A) Consistency with the State planning goals as described in section 4302 of this chapter with consistency determined in the manner described under subdivision 4302(f)(1) of this chapter.

(B) Consistency with the purposes of the regional plan established in section 4347 of chapter.

(C) Consistency with the regional plan elements as described in section 4348a of this chapter, except that the requirements of section 4352 of this chapter related to enhanced energy planning shall be the under the sole authority of the Department of Public Service.

(D) Compatibility with adjacent regional planning areas in the manner described under subdivision 4302(f)(2) of this chapter.

(i) Objections of interested parties.

(1) An interested party who has participated in the regional plan adoption process may object to the approval of the plan or approval of the future land use maps by the Land Use Review Board within 15 days following plan adoption by the regional planning commission. Participation is defined as providing written or oral comments stating objections for consideration at a public hearing held by the regional planning commission. Objections shall be submitted using a form provided by the Land Use Review Board.

(2) As used in this section, an “interested party” means any one of the following:

(A) Any 20 persons by signed petition who own property or reside within the region. The petition must designate one person to serve as the representative of the petitioners regarding all matters related to the objection. The designated representative shall have participated in the regional plan adoption process.

(B) A party entitled to notice under subsection (d) of this section.

(3) Any objection under this section shall be limited to the question of whether the regional plan is consistent with the regional plan elements and future land use areas as described in section 4348a of this title. The requirements of section 4352 of this title related to enhanced energy planning shall be under the sole authority of the Department of Public Service and shall not be reviewed by the Land Use Review Board.

(4) The Land Use Review Board shall hear any objections of regional plan adoption concurrently with regional plan review under subsection (h) of this section and 10 V.S.A. § 6033. The Land Use Review Board decision of approval of a regional plan shall expressly evaluate any objections and state the reasons for their decisions in writing. If applicable, the decision to uphold an objection shall suggest modifications to the regional plan.

(j) Minor amendments to regional plan future land use map. A regional planning commission may submit a request for a minor amendment to boundaries of a future land use area for consideration by the Land Use Review Board with a letter of support from the municipality. The request may only be submitted after an affirmative vote of the municipal legislative body and the regional planning commission board. The Land Use Review Board, after consultation with the Community Investment Board and the regional planning commissions, shall provide guidance about what constitutes a minor amendment. Minor amendments may include any change to a future land use area consisting of fewer than 10 acres. A minor amendment to a future land use area shall not require an amendment to a regional plan and shall be included in the next iteration of the regional plan. The Board may adopt rules to implement this section.

(k) An affirmative determination of regional plan compliance issued pursuant to this section shall remain in effect until the end of the period for expiration or readoption of the plan to which it applies.

(l) Regional planning commissions shall be provided up to 18 months from a negative determination by the Land Use Review Board to obtain an affirmative determination of regional plan compliance. If a regional planning commission is unable to obtain affirmative determination of regional plan compliance, the plan shall be considered unapproved and member municipalities shall lose any associated benefits related to designations, Act 250 exemptions, or State infrastructure investments.

(m) Upon approval by the Land Use Review Board, the plan shall be considered duly adopted, shall take effect, and is not appealable. The plan shall be immediately submitted to the entities listed in subsection (d) of this section.

(g)(n) Regional plans may be reviewed from time to time and may be amended in the light of new developments and changed conditions affecting the region.

(h)(o) In proceedings under 10 V.S.A. chapter 151, 10 V.S.A. chapter 159, and 30 V.S.A. § 248, in which the provisions of a regional plan or a municipal plan are relevant to the determination of any issue in those proceedings:

(1) the provisions of the regional plan shall be given effect to the extent that they are not in conflict with the provisions of a duly adopted municipal plan; and

(2) to the extent that such a conflict exists, the regional plan shall be given effect if it is demonstrated that the project under consideration in the proceedings would have a substantial regional impact as determined by the definition in the regional plan.

(p) Regional planning commissions shall adopt a regional plan in conformance with this title on or before December 31, 2026.

Sec. 48. 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:

(1) A statement of basic policies of the region to guide the future growth and development of land and of public services and facilities, and to protect the environment.

(2) A ~~land-use~~ natural resources and working lands element, which shall consist of a map or maps and ~~statement of present and prospective land uses~~ policies, based on ecosystem function, consistent with Vermont Conservation Design, support compact centers surrounded by rural and working lands, and that:

(A) Indicates those areas of significant natural resources, including existing and proposed for forests, wetlands, vernal pools, rare and irreplaceable natural areas, floodplains, river corridors, recreation, agriculture, (using the agricultural lands identification process established in 6 V.S.A. § 8), residence, commerce, industry, public, and semi-public semipublic uses, open spaces, areas reserved for flood plain, forest blocks, habitat connectors, recreation areas and recreational trails, and areas identified by the State, regional planning commissions, or municipalities that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes.

(B) ~~Indicates those areas within the region that are likely candidates for designation under sections 2793 (downtown development districts), 2793a (village centers), 2793b (new town centers), and 2793c (growth centers) of this title.~~

(C) ~~Indicates locations proposed for developments with a potential for regional impact, as determined by the regional planning commission, including flood control projects, surface water supply projects, industrial parks, office parks, shopping centers and shopping malls, airports, tourist attractions, recreational facilities, private schools, public or private colleges, and residential developments or subdivisions.~~

(D) ~~Sets forth the present and prospective location, amount, intensity, and character of such land uses and the appropriate timing or sequence of land development activities in relation to the provision of necessary community facilities and services.~~

(E) Indicates those areas that have the potential to sustain agriculture and recommendations for maintaining them ~~which~~ that may include transfer of development rights, acquisition of development rights, or farmer assistance programs.

(F)(C) Indicates those areas that are important as forest blocks and habitat connectors and plans for land development in those areas to minimize forest fragmentation and promote the health, viability, and ecological function of forests. A plan may include specific policies to encourage the active management of those areas for wildlife habitat, water quality, timber

production, recreation, or other values or functions identified by the regional planning commission.

(D) Encourages preservation of rare and irreplaceable natural areas, scenic and historic features and resources.

(E) Encourages protection and improvement of the quality of waters of the State to be used in the development and furtherance of the applicable basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.

(3) An energy element, ~~which may include~~ including an analysis of resources, needs, scarcities, costs, and problems within the region across all energy sectors, including electric, thermal, and transportation; a statement of policy on the conservation and efficient use of energy and the development and siting of renewable energy resources; a statement of policy on patterns and densities of land use likely to result in conservation of energy; and an identification of potential areas for the development and siting of renewable energy resources and areas that are unsuitable for siting those resources or particular categories or sizes of those resources.

(4) A transportation element, ~~which may consist~~ consisting of a statement of present and prospective transportation and circulation facilities, and a map showing existing and proposed highways, including limited access highways, and streets by type and character of improvement, and where pertinent, anticipated points of congestion, parking facilities, transit routes, terminals, bicycle paths and trails, scenic roads, airports, railroads and port facilities, and other similar facilities or uses, and recommendations to meet future needs for such facilities, with indications of priorities of need, costs, and method of financing.

(5) A utility and facility element, consisting of a map and statement of present and prospective local and regional community facilities and public utilities, whether publicly or privately owned, showing existing and proposed educational, recreational and other public sites, buildings and facilities, including public schools, State office buildings, hospitals, libraries, power generating plants and transmission lines, wireless telecommunications facilities and ancillary improvements, water supply, sewage disposal, refuse disposal, storm drainage, and other similar facilities and activities, and recommendations to meet future needs for those facilities, with indications of priority of need.

(6) A statement of policies on the:

~~(A) preservation of rare and irreplaceable natural areas, scenic and historic features and resources; and~~

~~(B) protection and improvement of the quality of waters of the State to be used in the development and furtherance of the applicable basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253. [Repealed.]~~

* * *

(12) A future land use element, based upon the elements in this section, that sets forth the present and prospective location, amount, intensity, and character of such land uses in relation to the provision of necessary community facilities and services and that consists of a map delineating future land use area boundaries for the land uses in subdivisions (A)–(J) of this subdivision (12) as appropriate and any other special land use category the regional planning commission deems necessary; descriptions of intended future land uses; and policies intended to support the implementation of the future land use element using the following land use categories:

(A) Downtown or village centers. These areas are the mixed-use centers bringing together community economic activity and civic assets. They include downtowns, villages, and new town centers previously designated under chapter 76A and downtowns and village centers seeking benefits under the Community Investment Program under section 5804 of this title. The downtown or village centers are the traditional and historic central business and civic centers within planned growth areas, village areas, or may stand alone. Village centers are not required to have public water, wastewater, zoning, or subdivision bylaws.

(B) Planned growth areas. These areas include the high-density existing settlement and future growth areas with high concentrations of population, housing, and employment in each region and town, as appropriate. They include a mix of historic and non-historic commercial, residential, and civic or cultural sites with active streetscapes, supported by land development regulations; public water or wastewater, or both; and multimodal transportation systems. These areas include new town centers, downtowns, village centers, growth centers, and neighborhood development areas previously designated under chapter 76A of this title. These areas should generally meet the smart growth principles definition in chapter 139 of this title and the following criteria:

(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title and has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.

(ii) This area is served by public water or wastewater infrastructure.

(iii) The area is generally within walking distance from the municipality's or an adjacent municipality's downtown, village center, new town center, or growth center.

(iv) The area excludes identified flood hazard and river corridor areas, except those areas containing preexisting development in areas suitable for infill development as defined in section 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(v) The municipal plan indicates that this area is intended for higher-density residential and mixed-use development.

(vi) The area provides for housing that meets the needs of a diversity of social and income groups in the community.

(vii) The area is served by planned or existing transportation infrastructure that conforms with "complete streets" principles as described under 19 V.S.A. chapter 24 and establishes pedestrian access directly to the downtown, village center, or new town center. Planned transportation infrastructure includes those investments included in the municipality's capital improvement program pursuant to section 4430 of this title.

(C) Village areas. These areas include the traditional settlement area or a proposed new settlement area, typically composed of a cohesive mix of residential, civic, religious, commercial, and mixed-use buildings, arranged along a main street and intersecting streets that are within walking distance for residents who live within and surrounding the core. These areas include existing village center designations and similar areas statewide, but this area is larger than the village center designation. Village areas shall meet the following criteria:

(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title.

(ii) The municipality has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.

(iii) Unless the municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with the standards established pursuant to 10 V.S.A. § 755b (flood hazard) and 10 V.S.A. § 1428(b) (river corridor), the area excludes identified flood hazard and river corridors, except those areas containing preexisting development in areas suitable for infill development as defined in 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(iv) The municipality has either municipal water or wastewater. If no public wastewater is available, the area must have soils that are adequate for wastewater disposal.

(v) The area has some opportunity for infill development or new development areas where the village can grow and be flood resilient.

(D) Transition or infill area. These areas include areas of existing or planned commercial, office, mixed-use development, or residential uses either adjacent to a planned growth or village area or a new stand-alone transition or infill area and served by, or planned for, public water or wastewater, or both. The intent of this land use category is to transform these areas into higher-density, mixed-use settlements, or residential neighborhoods through infill and redevelopment or new development. New commercial linear strip development is not allowed as to prevent it negatively impacting the economic vitality of commercial areas in the adjacent or nearby planned growth or village area. This area could also include adjacent greenfields safer from flooding and planned for future growth.

(E) Resource-based recreation areas. These areas include large-scale resource-based recreational facilities, often concentrated around ski resorts, lakeshores, or concentrated trail networks, that may provide infrastructure, jobs, or housing to support recreational activities.

(F) Enterprise areas. These areas include locations of high economic activity and employment that are not adjacent to planned growth areas. These include industrial parks, areas of natural resource extraction, or other commercial uses that involve larger land areas. Enterprise areas typically have ready access to water supply, sewage disposal, electricity, and freight transportation networks.

(G) Hamlets. Small historic clusters of homes and may include a school, place of worship, store, or other public buildings not planned for significant growth; no public water supply or wastewater systems; and mostly focused along one or two roads. These may be depicted as points on the future land use map.

(H) Rural; general. These areas include areas that promote the preservation of Vermont's traditional working landscape and natural area features. They allow for low-density residential and some limited commercial development that is compatible with productive lands and natural areas. This may also include an area that a municipality is planning to make more rural than it is currently.

(I) Rural; agricultural and forestry. These areas include blocks of forest or farmland that sustain resource industries, provide critical wildlife habitat and movement, outdoor recreation, flood storage, aquifer recharge, and

scenic beauty, and contribute to economic well-being and quality of life. Development in these areas should be carefully managed to promote the working landscape and rural economy, and address regional goals, while protecting the agricultural and forest resource value.

(J) Rural; conservation. These are areas of significant natural resources, identified by regional planning commissions or municipalities based upon existing Agency of Natural Resources mapping that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes. The mapping of these areas and accompanying policies are intended to help meet requirements of 10 V.S.A. chapter 89. Any portion of this area that is approved by the LURB as having Tier 3 area status shall be identified on the future land use map as an overlay upon approval.

(b) The various elements and statements shall be correlated with the land use element and with each other. The maps called for by this section may be incorporated on one or more maps, and may be referred to in each separate statement called for by this section.

(c) The regional plan future land use map shall delineate areas within the regional planning commission's member municipalities that are eligible to receive designation benefits as centers and neighborhoods when the future land use map is approved by the Land Use Review Board per 10 V.S.A. § 6033. The areas eligible for designation as centers shall be identified on the regional plan future land use map as regional downtown centers and village centers. The areas eligible for designation as neighborhoods shall be identified on the regional plan future land use map as planned growth areas and village areas in a manner consistent with this section and chapter 139 of this title. This methodology shall include all approved designated downtowns, villages, new town centers, neighborhood development areas, and growth centers existing on December 31, 2025, unless the subject member municipality requests otherwise.

(d) With the exception of preexisting, nonconforming designations approved prior to the establishment of the program, the areas eligible for designation benefits upon the Land Use Review Board's approval of the regional plan future land use map for designation as a center shall not include development that is disconnected from a downtown or village center and that lacks an existing or planned pedestrian connection to the center via a complete street.

(e) The Vermont Association of Planning and Development Agencies shall develop, maintain, and update standard methodology and process for the mapping of areas eligible for Tier 1B status under 10 V.S.A. § 6033 and

designation under chapter 139 of this title. The methodology shall be issued on or before December 31, 2024, in consultation with the Department of Housing and Community Development and Natural Resources Board.

Sec. 49. REGIONAL PLANNING COMMISSION STUDY

(a) The Vermont Association of Planning and Development Agencies (VAPDA) shall hire an independent contractor to study the strategic opportunities for regional planning commissions to better serve municipalities and the State. This study shall seek to ensure that the regional planning commissions are statutorily enabled and strategically positioned to meet ongoing and emerging State and municipal needs and shall review the following: governance, funding, programs, service delivery, equity, accountability, and staffing.

(b) A stakeholder group composed of the Vermont League of Cities and Towns, Vermont Council on Rural Development, the Department of Housing and Community Development, the Agency of Administration, the Office of Racial Equity, legislators, and others will be invited to participate in the study to provide their insights into governance structure, accountability and performance standards.

(c) The study shall identify the gaps in statutory enabling language, structure, and local engagement and make recommendations on how to improve and ensure consistent and equitable statewide programming and local input and engagement including methods to improve municipal participation; the amount of regional planning grant funding provided to each regional planning commission relative to statutory responsibilities, the number of municipalities, and other demands; and how to make it easier for municipalities to work together.

(d) On or before December 31, 2024, the study report shall be submitted to the House Committees on Environment and Energy, on Commerce and Economic Development, and on Government Operations and Military Affairs and the Senate Committees on Economic Development, Housing and General Affairs, on Natural Resources and Energy, and on Government Operations.

* * * Municipal Zoning * * *

Sec. 50. 24 V.S.A. § 4382 is amended to read:

§ 4382. THE PLAN FOR A MUNICIPALITY

(a) A plan for a municipality 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 public and private actions to address housing needs and targets as identified by the regional planning commission pursuant to subdivision 4348a(a)(9) of this title. The program ~~should~~ shall 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 residential development as described in section 4412 of this title.

* * *

Sec. 51. 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~~ a permitted use with ~~the same~~ dimensional standards as that are not more restrictive than is required for a single-unit dwelling, including no additional land or lot area than would be required for 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 on lots that are at least 1/3 of an acre in size with an allowed density of up to 12 units per acre, unless that district specifically requires multiunit structures to have more than four dwelling units.

* * *

(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.~~ Any lot that is smaller than one acre but granted a variance of not more than 10 percent shall be treated as one acre for the purposes of this subsection. Density and minimum lot size 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, rounded up to the nearest whole unit, which shall include exceeding maximum height limitations by one floor, provided that the structure complies with the Vermont Fire and Building Safety Code.

(14) No zoning or subdivision bylaw shall have the effect of prohibiting unrelated occupants from residing in the same dwelling unit.

Sec. 52. 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 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; and

(H) hotels and motels converted to permanently affordable housing developments.

* * *

Sec. 53. 24 V.S.A. § 4428 is added to read:

§ 4428. PARKING BYLAWS

(a) Parking regulation. Consistent with section 4414 of this title and with this section, a municipality may regulate parking.

(b) Tandem parking. Tandem parking shall count toward residential parking space requirements. A municipality may require that tandem spaces are not shared between different dwelling units. As used in this subsection, “tandem parking” means a narrow parking space that can accommodate two or more vehicles parked in a single-file line.

(c) Parking space size standards. For the purpose of residential parking, a municipality shall define a standard parking space as not larger than nine feet by 18 feet, however a municipality may allow a portion of parking spaces to be smaller for compact cars or similar use. A municipality may require a larger space wherever American with Disabilities Act-compliant spaces are required.

(d) Existing nonconforming parking. A municipality shall allow an existing nonconforming parking space to count toward the parking requirement of an existing residential building if new residential units are added to the building.

(e) Adjacent lots. A municipality may allow a person with a valid legal agreement for use of parking spaces in an adjacent or nearby lot to count toward the parking requirement of a residential building.

Sec. 54. 2023 Acts and Resolves No. 47, Sec. 1 is amended to read:

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 multiunit dwellings in areas not served by sewer and water, and in areas that are located more than one-quarter mile away from public parking. The number of parking spaces shall be 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.

* * *

Sec. 55. 2023 Acts and Resolves No. 81, Sec. 10 is amended to read:

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) Sec. 1 (24 V.S.A. § 4414) shall take effect on ~~December~~ July 1, 2024.

* * *

Sec. 56. 24 V.S.A. § 4429 is added to read:

§ 4429. LOT COVERAGE BYLAWS

A municipality shall allow for a lot coverage bonus of 10 percent on lots that allow access to new or subdivided lots without road frontage.

Sec. 57. 24 V.S.A. § 4464 is amended to read:

§ 4464. HEARING AND NOTICE REQUIREMENTS; DECISIONS AND CONDITIONS; ADMINISTRATIVE REVIEW; ROLE OF ADVISORY COMMISSIONS IN DEVELOPMENT REVIEW

* * *

(b) Decisions.

(1) The appropriate municipal panel may recess the proceedings on any application pending submission of additional information. The panel should close the evidence promptly after all parties have submitted the requested information. The panel shall adjourn the hearing and issue a decision within ~~45~~ 180 days after the ~~adjournment of the hearing, and failure of the panel to issue a decision within this period shall be deemed approval and shall be effective on the 46th day~~ complete application was submitted unless both the applicant and the panel agree to waive the deadline. Decisions shall be issued in writing and shall include a statement of the factual bases on which the appropriate municipal panel has made its conclusions and a statement of the conclusions. The minutes of the meeting may suffice, provided the factual bases and conclusions relating to the review standards are provided in conformance with this subsection.

* * *

Sec. 58. 24 V.S.A. § 4465 is amended to read:

§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

* * *

(b) As used in this chapter, an “interested person” means any one of the following:

* * *

(4) ~~Any 10 persons~~ A minimum of three percent, rounded up to the nearest whole person, of the most recent U.S. Census Bureau population estimate of the municipality that may or may not have participated in the proceeding or any 25 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.

* * *

Sec. 59. 24 V.S.A. § 4471 is amended to read:

§ 4471. APPEAL TO ENVIRONMENTAL DIVISION

(a) Participation required. An interested person who has participated in a municipal regulatory proceeding authorized under this title may appeal a decision rendered in that proceeding by an appropriate municipal panel to the Environmental Division, except, pursuant to subdivision 4464(b)(4) of this title, that not every person of the three percent of the population needs to have participated. Participation in a local regulatory proceeding shall consist of offering, through oral or written testimony, evidence or a statement of concern related to the subject of the proceeding. An appeal from a decision of the appropriate municipal panel, or from a decision of the municipal legislative body under subsection 4415(d) of this title, shall be taken in such manner as the Supreme Court may by rule provide for appeals from State agencies governed by 3 V.S.A. §§ 801–816, unless the decision is an appropriate municipal panel decision ~~which~~ that the municipality has elected to be subject to review on the record.

* * *

Sec. 60. 10 V.S.A. § 8504 is amended to read:

§ 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

* * *

(k) Limitations on appeals. Notwithstanding any other provision of this section:

(1) there shall be no appeal from a District Commission decision when the Commission has issued a permit and no hearing was requested or held, or no motion to alter was filed following the issuance of an administrative amendment;

(2) a municipal decision regarding whether a particular application qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject to appeal;

(3) if a District Commission issues a partial decision under subsection 6086(b) of this title, any appeal of that decision must be taken within 30 days of the date of that decision; and

(4) it shall be the goal of the Environmental Division to hear a case regarding appeals of an appropriate municipal panel under 24 V.S.A. chapter 117 within 60 days following the case being filed with the Division and issue a decision within 90 days following the close of the hearing on the case.

* * *

Sec. 61. SUPERIOR COURT; POSITION; APPROPRIATION

(a) There is established one permanent judge in the Superior Court in fiscal year 2025.

(b) In fiscal year 2025, \$168,000.00 General Fund is appropriated to the Superior Court for the new judge created in subsection (a) of this section.

* * * Resilience Planning * * *

Sec. 62. 24 V.S.A. § 4306 is amended to read:

§ 4306. MUNICIPAL AND REGIONAL PLANNING AND RESILIENCE FUND

(a)(1) The Municipal and Regional Planning and Resilience Fund for the purpose of assisting municipal and regional planning commissions to carry out the intent of this chapter is hereby created in the State Treasury.

(2) The Fund shall be composed of 17 percent of the revenue from the property transfer tax under 32 V.S.A. chapter 231 and any monies from time to time appropriated to the Fund by the General Assembly or received from any other source, private or public. All balances at the end of any fiscal year shall be carried forward and remain in the Fund. Interest earned by the Fund shall be deposited in the Fund.

(3) Of the revenues in the Fund, each year:

(A) 10 percent shall be disbursed to the Vermont Center for Geographic Information;

(B) 70 percent shall be disbursed to the Secretary of Commerce and Community Development for performance contracts with regional planning commissions to provide regional planning services pursuant to section 4341a of this title; and

(C) 20 percent shall be disbursed to municipalities.

(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 planning and resilience purposes 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) of this subsection 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 section 4307 of this title.

(c) Funds allocated to municipalities shall be used for the purposes of:

(1) funding the regional planning commission in undertaking capacity studies;

(2) carrying out the provisions of subchapters 5 through 10 of this chapter;

(3) acquiring development rights, conservation easements, or title to those lands, areas, and strictures identified in either regional or municipal plans as requiring special consideration for provision of needed housing, aquifer protection, flood protection, climate resilience, open space, farmland preservation, or other conservation purposes; and

(4) reasonable and necessary costs of administering the Fund by the Department of Housing and Community Development, not to exceed six percent of the municipality allocation.

(d) Until July 1, 2027, the annual disbursement to municipalities shall:

(1) prioritize funding grants to municipalities that do not have zoning or subdivision bylaws to create zoning or subdivision bylaws;

(2) allow a regional planning commission to submit an application for disbursement on behalf of a municipality; and

(3) not require a municipality without zoning or subdivision bylaws to contribute matching funds in order to receive a grant.

Sec. 63. MUNICIPAL AND REGIONAL PLANNING AND RESILIENCE GRANT PROGRAM

(a) The Agency of Commerce and Community Development shall rename the Municipal and Regional Planning Grant Program that the Agency administers under 24 V.S.A. § 4306(b)(2) as the Municipal and Regional Planning and Resilience Grant Program.

(b) In addition to other funds appropriated to the Agency of Commerce and Community Development for grants under 24 V.S.A. § 4306, \$1,500,000.00 is appropriated from the General Fund to the Municipal and Regional Planning and Resilience Fund for the grants from the Fund for the following purposes:

(1) assistance to municipalities to support resiliency planning and identify and plan for resiliency projects to reduce damages from flooding and other climate change-related hazards; and

(2) funding for regional planning commissions to increase staff in order to support municipalities in conducting climate resiliency planning; project development and implementation; and hazard mitigation locally, regionally, and on a watershed scale.

Sec. 64. CLIMATE RESILIENCY PLANNING POSITIONS

(a) In addition to other funds appropriated to the Agency of Commerce and Community Development in fiscal year 2025, \$125,000.00 is appropriated from the General Fund to the Agency for the purpose of creating a new permanent full-time position to staff the climate resiliency grants from the Municipal and Regional Planning and Resilience Grant Program.

(b) In addition to other funds appropriated to the Agency of Natural Resources in fiscal year 2025, \$125,000.00 is appropriated from the General Fund to the Agency for the purposes of funding a new permanent full-time position in the Water Investment Division of the Department of Environmental Conservation for the purposes of assisting in the financing of climate resilience projects from the Special Environmental Revolving Funds under 24 V.S.A. chapter 120.

* * * Designated Areas Update * * *

Sec. 65. REPEALS

(a) 24 V.S.A. chapter 76A (Historic Downtown Development) is repealed on July 1, 2034.

(b) 24 V.S.A. § 2792 (Vermont Downtown Development Board) is repealed on July 1, 2024.

Sec. 66. 24 V.S.A. chapter 139 is added to read:

CHAPTER 139. STATE COMMUNITY INVESTMENT PROGRAM

§ 5801. DEFINITIONS

As used in this chapter:

(1) “Community Investment Program” means the program established in this chapter, as adapted from the former State designated areas program formerly in chapter 76A of this title. Statutory references outside this chapter referring to the former State-designated downtown, village centers, and new town centers shall mean designated center, once established. Statutory references outside this chapter referring to the former State-designated neighborhood development areas and growth centers shall mean designated neighborhood, once established. The program shall extend access to benefits that sustain and revitalize existing buildings and maintain the basis of the program’s primary focus on revitalizing historic downtowns, villages and surrounding neighborhoods by promoting smart growth development patterns and historic preservation practices vital to Vermont’s economy, cultural landscape, equity of opportunity, and climate resilience.

(2) “Complete streets” or “complete street principles” has the same meaning as in 19 V.S.A. chapter 24.

(3) “Department” means the Department of Housing and Community Development.

(4) “Downtown center” or “village center” means areas on the regional plan future land use maps that may be designated as a center consistent with section 4348a of this title.

(5) “LURB” refers to the Land Use Review Board established pursuant to 10 V.S.A. § 6021.

(6) “Infill” means the use of vacant land or property or the redevelopment of existing buildings within a built-up area for further construction or land development.

(7) “Local downtown organization” means either a nonprofit corporation, or a board, council, or commission created by the legislative body of the municipality, whose primary purpose is to administer and implement the community reinvestment agreement and other matters regarding the revitalization of the downtown.

(8) “Planned growth area” means an area on the regional plan future land use maps required under section 4348a of this title, which may encompass a downtown center or village center on the regional future land use map and may be designated as a center or neighborhood, or both.

(9) “Regional plan future land use map” means the map prepared pursuant to section 4348a of this title.

(10) “Sprawl repair” means the redevelopment of lands with buildings, traffic and circulation, parking, or other land coverage in a pattern that is consistent with smart growth principles.

(11) “State Board” means the Vermont Community Investment Board established in section 5802 of this title.

(12) “State Designated Downtown and Village Center” or “center” means a contiguous downtown or village a portion of which is listed or eligible for listing in the national register of historic places area approved as part of the LURB review of regional plan future land use maps, which may include an approved preexisting designated designated downtown, village center, or designated new town center established prior to the approval of the regional plan future land use maps.

(13) “State designated neighborhood” or “neighborhood” means a contiguous geographic area approved as part of the Land Use Review Board

review of regional plan future land use maps that is compact and adjacent and contiguous to a center.

(14) “Vermont Downtown Program” means a program within the Department that coordinates with Main Street America that helps support community investment and economic vitality while preserving the historic character of Vermont’s downtowns. The Vermont Downtown Program provides downtowns with financial incentives, training, and technical assistance supporting local efforts to restore historic buildings, improve housing, design walkable communities, and encourage economic development by incentivizing public and private investments.

(15) “Village area” means an area on the regional plan future land use maps adopted pursuant to section 4348a of this title, which may encompass a village center on the regional future land use map.

§ 5802. VERMONT COMMUNITY INVESTMENT BOARD

(a) A Vermont Community Investment Board, also referred to as the “State Board,” is created to administer the provisions of this chapter. The State Board shall be composed of the following members or their designees:

(1) the Secretary of Commerce and Community Development;

(2) the Secretary of Transportation;

(3) the Secretary of Natural Resources;

(4) the Commissioner of Public Safety;

(5) the State Historic Preservation Officer;

(6) a member of the community designated by the Director of Racial Equity;

(7) a person, appointed by the Governor from a list of three names submitted by the Vermont Natural Resources Council and the Preservation Trust of Vermont;

(8) a person, appointed by the Governor from a list of three names submitted by the Vermont Association of Chamber of Commerce Executives;

(9) three public members representative of local government, one of whom shall be designated by the Vermont League of Cities and Towns and two of whom shall be appointed by the Governor;

(10) the Executive Director of the Vermont Bond Bank;

(11) the State Treasurer;

(12) a member of the Vermont Planners Association designated by the Association;

(13) a representative of a regional development corporation designated by the regional development corporations; and

(14) a representative of a regional planning commission designated by the Vermont Association of Planning and Development Agencies.

(b) The State Board shall elect a chair and vice chair from among its membership.

(c) The Department shall provide legal, staff, and administrative support to the State Board; shall produce guidelines to direct municipalities seeking to obtain designation under this chapter and for other purposes established by this chapter; and shall pay per diem compensation for board members pursuant to 32 V.S.A. § 1010(b).

(d) The State Board shall meet at least quarterly.

(e) The State Board shall have authority to adopt rules of procedure to use for appeal of its decisions and rules on handling conflicts of interest.

(f) In addition to any other duties confirmed by law, the State Board shall have the following duties:

(1) to serve as the funding and benefits coordination body for the State Community Investment Program;

(2) to review and comment on proposed regional plan future land use maps prepared by the regional planning commission and presented to the LURB for designated center and designated neighborhood recognition under 10 V.S.A. § 6033;

(4) to award tax credits under the 32 V.S.A. § 5930aa et seq.;

(5) to manage the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title; and

(6) to review and comment on LURB guidelines, rules, or procedures for the regional plan future land use maps as they relate to the designations under this chapter.

§ 5803. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS

(a) Designation established. A regional planning commission may apply to the LURB for approval and designation of all centers by submitting the regional plan future land use map adopted by the regional planning commission. The regional plan future land use map shall identify downtown centers and village centers as the downtown and village areas eligible for designation as centers. The Department and State Board shall provide comments to the Land Use Review Board on areas eligible for center designation as provided under this chapter.

(b) Inclusions. The areas mapped by the regional planning commissions as a center shall allow for the designation of preexisting, designated downtowns, village centers and new town centers in existence on or before December 31, 2025.

(c) Exclusions. With the exception for preexisting, nonconforming designations approved prior to the establishment of the program under this chapter or areas included in the municipal plan for the purposes of relocating a municipality's center for flood resiliency purposes, the areas eligible for designation benefits upon the Land Use Review Board's approval of the regional plan future land use map for designation as a Center shall not include development that is disconnected from a Center and that lacks a pedestrian connection to the Center via a complete street.

(d) Approval. The LURB shall conduct its review pursuant to 10 V.S.A. § 6033

(e) Transition. All designated downtowns, village centers, or new town centers existing as of December 31, 2025 will retain current benefits until December 31, 2026 or until approval of the regional future land use maps by the LURB, whichever comes first. All existing designations in effect December 31, 2025 will expire December 31, 2026 if the regional plan does not receive Land Use Review Board approval under this chapter. All benefits for unexpired designated downtowns, village centers, and new town centers that are removed under this chapter shall remain in effect until July 1, 2034. Prior to June 30, 2026, no check-in or renewals shall be required for the preexisting designations. New applications for downtowns, villages, and new town centers may be approved by the State Board prior to the first public hearing on the a regional future land use map or until December 31, 2025, whichever comes first.

(f) Benefits Steps. A center may receive the benefits associated with the steps in this section by meeting the established requirements. The Department shall review applications from municipalities to advance from Step One to Two and from Step Two to Three and issue written decisions. The Department shall issue a written administrative decision within 30 days following an application. If a municipal application is rejected by the Department, the municipality may appeal the administrative decision to the State Board. To maintain a downtown approved under chapter 76A after December 31, 2026, the municipality shall apply for renewal following a regional planning approval by the LURB and meet the program requirements. Step Three designations that are not approved for renewal revert to Step Two. The municipality may appeal the administrative decision of the Department to the State Board. Appeals of administrative decisions shall be heard by the State

Board at the next meeting following a timely filing stating the reasons for the appeal. The State Board's decision is final. The Department shall issue guidance to administer these steps.

(1) Step One.

(A) Requirements. Step One is established to create an accessible designation for all villages throughout the State to become eligible for funding and technical assistance to support site-based improvements and planning. All downtown and village centers shall automatically reach Step One upon approval of the regional plan future land use map by the Land Use Review Board. Regional plan future land use maps supersede preexisting designated areas that may already meet the Step One requirement.

(B) Benefits. A center that reaches Step One is eligible for the following benefits:

(i) funding and technical assistance eligibility for site-based projects, including the Better Places Grant Program under section 5810 of this chapter, access to the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq., and other programs identified in the Department's guidance; and

(ii) funding priority for developing or amending the municipal plan, visioning, and assessments.

(2) Step Two.

(A) Requirements. Step Two is established to create a mid-level designation for villages throughout the State to increase planning and implementation capacity for community-scale projects. A center reaches Step Two if it:

(i) meets the requirements of Step One or if it has a designated village center or new town center under chapter 76A of this title upon initial approval of the regional plan future land use map and prior to December 31, 2026;

(ii) has a confirmed municipal planning process pursuant to 24 V.S.A. § 4350;

(iii) has a municipal plan with goals for investment in the center; and

(iv) A portion of the center is listed or eligible for listing in the National Register of Historic Places;

(B) Benefits. In addition to the benefits of Step One, a center that reaches Step Two is eligible for the following benefits:

(i) funding priority for bylaws and special-purpose plans, capital plans, and area improvement or reinvestment plans, including priority consideration for the Better Connections Program and other applicable programs identified by Department guidance;

(ii) funding priority for infrastructure project scoping, design, engineering, and construction by the State Program and State Board;

(iii) the authority to create a special taxing district pursuant to chapter 87 of this title for the purpose of financing both capital and operating costs of a project within the boundaries of a center;

(iv) priority consideration for State and federal affordable housing funding;

(v) authority for the municipal legislative body to establish speed limits to less than 25 mph within the center under 23 V.S.A. § 1007(g);

(vi) State wastewater permit fees capped at \$50.00 for residential development under 3 V.S.A. § 2822;

(vii) exemption from the land gains tax under 32 V.S.A. § 10002(p); and

(viii) assistance and guidance from the Department for establishing local historic preservation regulations.

(3) Step Three.

(A) Requirements. Step Three is established to create an advanced designation for downtowns throughout the State to create mixed-use centers and join the Vermont Downtown Program. A center reaches Step Three if the Department finds that it meets the following requirements:

(i) Meets the requirements of Step Two, or if it has an existing downtown designated under chapter 76A of this title in effect upon initial approval of the regional future land use map and prior to December 31, 2026.

(ii) Is listed or eligible for listing in the National Register of Historic Places.

(iii) Has a downtown improvement plan.

(iv) Has a downtown investment agreement.

(v) Has a capital program adopted under section 4430 of this title that implements the Step Three requirements.

(vi) Has a local downtown organization with an organizational structure necessary to sustain a comprehensive long-term downtown revitalization effort, including a local downtown organization that will

collaborate with municipal departments, local businesses, and local nonprofit organizations. The local downtown organization shall work to:

(I) enhance the physical appearance and livability of the area by implementing local policies that promote the use and rehabilitation of historic and existing buildings, by developing pedestrian-oriented design requirements, by encouraging new development and infill that satisfy such design requirements, and by supporting long-term planning that is consistent with the goals set forth in section 4302 of this title;

(II) build consensus and cooperation among the many groups and individuals who have a role in the planning, development, and revitalization process;

(III) market the assets of the area to customers, potential investors, new businesses, local citizens, and visitors;

(IV) strengthen, diversify, and increase the economic activity within the downtown; and

(V) measure annually progress and achievements of the revitalization efforts as required by Department guidelines.

(vii) Has available public water and wastewater service and capacity.

(viii) Has permanent zoning and subdivision bylaws.

(ix) Has adopted historic preservation regulations for the district with a demonstrated commitment to protect and enhance the historic character of the downtown through the adoption of bylaws that adequately meet the historic preservation requirements in subdivisions 4414(1)(E) and (F) of this title, unless recognized by the program as a preexisting designated new town center.

(x) Has adopted design or form-based regulations that adequately regulate the physical form and scale of development with compact lot, building, and unit density, building heights, and complete streets.

(B) Benefits. In addition to the benefits of Steps One and Two, a municipality that reaches Step Three is eligible for the following benefits:

(i) Funding for the local downtown organization and technical assistance from the Vermont Downtown Program for the center.

(ii) A reallocation of receipts related to the tax imposed on sales of construction materials as provided in 32 V.S.A. § 9819.

(iii) Eligibility to receive National Main Street Accreditation from Main Street America through the Vermont Downtown Program.

(iv) Signage options pursuant to 10 V.S.A. § 494(13) and (17).

(v) Housing appeal limitations as described in chapter 117 of this title.

(vi) Highest priority for locating proposed State functions by the Commissioner of Buildings and General Services or other State officials, in consultation with the municipality, Department, State Board, the General Assembly committees of jurisdiction for the Capital Budget, and the regional planning commission. When a downtown location is not suitable, the Commissioner shall issue written findings to the consulted parties demonstrating how the suitability of the State function to a downtown location is not feasible.

(vii) Funding for infrastructure project scoping, design, and engineering, including participation in the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title.

§ 5804. DESIGNATED NEIGHBORHOOD

(a) Designation established.

(1) A regional planning commission may request approval from the Land Use Review Board for designation of areas on the regional plan future land use maps as a designated neighborhood under 10 V.S.A. § 6033. Areas eligible for designation include planned growth areas and village areas identified on the regional plan future land use map. This designation recognizes that the vitality of downtowns and villages is supported by adjacent and walkable neighborhoods and that the benefits structure must ensure that investments for sprawl repair or infill development within a neighborhood is secondary to a primary purpose to maintain the vitality, livability and maximize the climate resilience and infill potential of centers.

(2) Approval of planned growth areas and village areas as designated neighborhoods shall follow the same process as approval for designated centers provided for in 10 V.S.A. § 6033 and consistent with sections 4348 and 4348a of this title.

(b) Transition. All designated growth center or neighborhood development areas existing as of December 31, 2025 will retain current benefits until December 31, 2026 or upon approval of the regional plan future land use maps, whichever comes first. All existing neighborhood development area and growth center designations in effect on December 31, 2025 will expire on

December 31, 2026 if the regional plan future land use map is not approved. All benefits that are removed for unexpired neighborhood development areas and growth centers under this chapter shall remain active with prior designations existing as of December 31, 2025 until December 31, 2034. Prior to December 31, 2026, no check-ins or renewal shall be required for the existing designations. New applications for neighborhood development area designations may be approved by the State Board prior to the first hearing for a regional plan adoption or until December 31, 2025, whichever comes first.

(c) Requirements. A designated neighborhood shall meet the requirements for planned growth area or village area as described in section 4348a of this title.

(d) Benefits. A designated neighborhood is eligible for the following benefits:

(1) funding priority for bylaws and special-purpose plans, capital plans, and area improvement or reinvestment plans, including priority consideration for the Better Connections Program and other applicable programs identified by Department guidance;

(2) funding priority for Better Connections and other infrastructure project scoping, design, engineering, and construction by the State Community Investment Program and Board;

(3) eligibility for the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq.;

(4) priority consideration for State and federal affordable housing funding;

(5) certain housing appeal limitations under chapter 117 of this title;

(6) authority for the municipal legislative body to lower speed limits to less than 25 mph within the neighborhood;

(7) State wastewater application fee capped at \$50.00 for residential development under 3 V.S.A. § 2822(j)(4)(D);

(8) exclusion from the land gains tax provided by 32 V.S.A. § 10002(p); and

(9) the authority to create a special taxing district pursuant to chapter 87 of this title for the purpose of financing both capital and operating costs of a project within the boundaries of a neighborhood.

§ 5805. GRANTS AND GIFTS

The Department of Housing and Community Development may accept funds, grants, gifts, or donations of up to \$10,000.00 from individuals,

corporations, foundations, governmental entities, or other sources, on behalf of the Community Planning and Revitalization Division to support trainings, conferences, special projects and initiatives.

§ 5806. DESIGNATION DATA CENTER

The Department in coordination with the Land Use Review Board, shall maintain an online municipal planning data center publishing approved regional plan future land use maps adoptions and amendments and indicating the status of each approved designation within the region, and associated steps for centers.

§ 5807. 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. This shall be the same Fund created under the prior section 2799 of this title.

(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 persons 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 an area designated under this chapter 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 three projects per calendar year within a municipality.

(4) The minimum amount of a grant award is \$5,000.00, and the maximum amount of a grant award is \$40,000.00.

(5) The Department shall develop matching grant eligibility requirements to ensure a broad base of community and financial support for the project, subject to the following:

(A) A project shall include in-kind support and matching funds raised through a crowdfunding approach that includes multiple donors.

(B) An applicant may not donate to its own crowdfunding campaign.

(C) A donor may not contribute more than \$10,000.00 or 35 percent of the campaign goal, whichever is less.

(D) An applicant shall provide matching funds raised through crowdfunding of not less than 33 percent of the grant award. The Department may require a higher percent of matching funds for certain project areas to ensure equitable distribution of resources across Vermont.

(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. 67. MUNICIPAL TECHNICAL ASSISTANCE REPORT

(a) On or before December 31, 2025, the Commissioner of Housing and Community Development shall develop recommendations for providing coordinated State agency technical assistance to municipalities participating in the programs under 24 V.S.A. chapter 139 to the Senate Committee on Natural Resources and Energy and the House Committee on Environment and Energy.

(b) The recommendations shall address effective procedures for inter-agency coordination to support municipal community investment, revitalization, and development including coordination for:

(1) general project advising;

(2) physical improvement planning design;

(3) policy-making; and

(4) project management.

(c) The recommendations shall support the implementation of State agency plans and the following strategic priorities for municipal and community investment, revitalization, and development assistance:

(1) housing development growth;

(2) climate resilience;

(3) public infrastructure investment;

(4) local administrative capacity;

(5) equity, diversity, and access;

(6) livability and social service; and

(7) historic preservation.

* * * Tax Credits * * *

Sec. 68. 32 V.S.A. § 5930aa is amended to read:

§ 5930aa. DEFINITIONS

As used in this subchapter:

* * *

(2) “Qualified building” means a building built at least 30 years before the date of application, located within a designated ~~downtown, village center, or neighborhood development area~~ center or neighborhood, which, upon completion of the project supported by the tax credit, will be an income-producing building not used solely as a single-family residence. Churches and other buildings owned by a religious organization may be qualified buildings, but in no event shall tax credits be used for religious worship.

(3) “Qualified code improvement project” means a project:

(A) to install or improve platform lifts suitable for transporting personal mobility devices, limited use or limited application elevators, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the Department of Public Safety;

(B) to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; or

(C) to redevelop a contaminated property in a designated ~~downtown, village center, or neighborhood development area~~ center or neighborhood under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

* * *

(5) “Qualified façade improvement project” means the rehabilitation of the façade of a qualified building that contributes to the integrity of the designated ~~downtown, designated village center, or neighborhood development area~~ center or neighborhood. Façade improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places must be consistent with the Secretary of the Interior Standards, as determined by the Vermont Division for Historic Preservation.

* * *

(9) “State Board” means the Vermont ~~Downtown Development~~ Community Investment Board established pursuant to 24 V.S.A. chapter ~~76A~~ 139.

Sec. 69. 32 V.S.A. § 5930aa(6) is amended to read:

(6) “Qualified Flood Mitigation Project” means any combination of structural and nonstructural changes to a qualified building ~~located within the flood hazard area as mapped by the Federal Emergency Management Agency~~ that reduces or eliminates flood damage to the building or its contents. This may include relocation of HVAC, electrical, plumbing, and other building systems, and equipment above the flood level; repairs or reinforcement of foundation walls, including flood gates; or elevation of an entire eligible building above the flood level. Further eligible projects may be defined via program guidance. The project shall comply with the municipality’s adopted flood hazard bylaw, if applicable, and a certificate of completion shall be submitted by a registered engineer, architect, qualified contractor, or qualified local official to ~~the State Board~~ program staff. Improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places shall be consistent with Secretary of the Interior’s Standards for Rehabilitation, as determined by the Vermont Division for Historic Preservation.

Sec. 70. 32 V.S.A. § 5930bb is amended to read:

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for a qualified project at any time before the completion of the qualified project.

(b) To qualify for any of the tax credits under this subchapter, expenditures for the qualified project must exceed \$5,000.00.

(c) Application shall be made in accordance with the guidelines set by the State Board.

~~(d) Notwithstanding any other provision of this subchapter, qualified applicants may apply to the State Board at any time prior to June 30, 2013, to obtain a tax credit not otherwise available under subsections 5930cc(a)-(c) of this title of 10 percent of qualified expenditures resulting from damage caused by a federally declared disaster in Vermont in 2011. The credit shall only be claimed against the taxpayer's State individual income tax under section 5822 of this title. To the extent that any allocated tax credit exceeds the taxpayer's tax liability for the first tax year in which the qualified project is completed, the taxpayer shall receive a refund equal to the unused portion of the tax credit. If within two years after the date of the credit allocation no claim for a tax credit or refund has been filed, the tax credit allocation shall be rescinded and recaptured pursuant to subdivision 5930cc(6) of this title. The total amount of tax credits available under this subsection shall not be more than \$500,000.00 and shall not be subject to the limitations contained in subdivision 5930cc(2) of this subchapter.~~

(e) Beginning on July 1, 2025, under this subchapter no new tax credit may be allocated by the State Board to a qualified building located in a neighborhood development area unless specific funds have been appropriated for that purpose.

Sec. 71. 32 V.S.A. § 5930cc is amended to read:

§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX
CREDITS

* * *

(c) Code improvement tax credit. The qualified applicant of a qualified code improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum credit of \$60,000.00 for the installation or improvement of a limited use or limited application elevator, a maximum tax credit of \$75,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, and a maximum tax credit of ~~\$50,000.00~~ \$100,000.00 for the combined costs of all other qualified code improvements.

(d) Flood Mitigation Tax Credit. The qualified applicant of a qualified flood mitigation project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of ~~\$75,000.00~~ \$100,000.00.

Sec. 72. 32 V.S.A. § 5930ee is amended to read:

§ 5930ee. LIMITATIONS

Beginning in fiscal year 2010 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$3,000,000.00~~ \$5,000,000.00;

* * *

* * * Taxes * * *

Sec. 73. 32 V.S.A. § 9602 is amended to read:

§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

A tax is hereby imposed upon the transfer by deed of title to property located in this State, or a transfer or acquisition of a controlling interest in any person with title to property in this State. The amount of the tax equals one and one-quarter percent of the value of the property transferred, or \$1.00, whichever is greater, except as follows:

(1) With respect to the transfer of property to be used for the principal residence of the transferee, the tax shall be imposed at the rate of five-tenths of one percent of the first \$100,000.00 in value of the property transferred and at the rate of one and one-quarter percent of the value of the property transferred in excess of \$100,000.00; except that no tax shall be imposed on the first ~~\$110,000.00~~ \$150,000.00 in value of the property transferred if the purchaser obtains a purchase money mortgage funded in part with a homeland grant through the Vermont Housing and Conservation Trust Fund or that the Vermont Housing and Finance Agency or U.S. Department of Agriculture and Rural Development has committed to make or purchase; and tax at the rate of one and one-quarter percent shall be imposed on the value of that property in excess of ~~\$110,000.00~~ \$150,000.00.

* * *

(4) With respect to the transfer of residential property that will not be used as the principal residence of the transferee, and for which the transferee

will not be required to provide a landlord certificate pursuant to section 6069 of this title, the tax shall be imposed at the rate of two and one-half percent of the value of the property transferred.

Sec. 74. 10 V.S.A. § 312 is amended to read:

§ 312. CREATION OF VERMONT HOUSING AND CONSERVATION TRUST FUND

There is created a special fund in the State Treasury to be known as the “Vermont Housing and Conservation Trust Fund.” The Fund shall be administered by the Board and expenditures therefrom shall only be made to implement and effectuate the policies and purposes of this chapter. The Fund shall be ~~comprised~~ composed of 60 percent of the revenue collected under 32 V.S.A. § 9602(a)(4), 50 percent of the revenue from the property transfer tax under 32 V.S.A. chapter 231 ~~all other subdivisions of 32 V.S.A. § 9602(a),~~ and any monies from time to time appropriated to the Fund by the General Assembly or received from any other source, private or public, approved by the Board. Unexpended balances and any earnings shall remain in the Fund for use in accord with the purposes of this chapter.

Sec. 75. 24 V.S.A. § 4306(a) is amended to read:

(a)(1) The Municipal and Regional Planning Fund for the purpose of assisting municipal and regional planning commissions to carry out the intent of this chapter is hereby created in the State Treasury.

(2) The Fund shall be composed of 23.5 percent of the revenue collected under 32 V.S.A. § 9602(a)(4), 17 percent of the revenue from the property transfer tax under 32 V.S.A. chapter 231 ~~all other subdivisions of 32 V.S.A. § 9602(a),~~ and any monies from time to time appropriated to the Fund by the General Assembly or received from any other source, private or public. All balances at the end of any fiscal year shall be carried forward and remain in the Fund. Interest earned by the Fund shall be deposited in the Fund.

(3) Of the revenues in the Fund, each year:

(A) 10 percent shall be disbursed to the Vermont Center for Geographic Information;

(B) 70 percent shall be disbursed to the Secretary of Commerce and Community Development for performance contracts with regional planning commissions to provide regional planning services pursuant to section 4341a of this title; and

(C) 20 percent shall be disbursed to municipalities.

Sec. 76. 32 V.S.A. § 435(b) shall be amended to read:

(b) The General Fund shall be composed of revenues from the following sources:

- (1) alcoholic beverage tax levied pursuant to 7 V.S.A. chapter 15;
- (2) [Repealed.]
- (3) [Repealed.]
- (4) corporate income and franchise taxes levied pursuant to chapter 151 of this title;
- (5) individual income taxes levied pursuant to chapter 151 of this title;
- (6) all corporation taxes levied pursuant to chapter 211 of this title;
- (7) 69 percent of the meals and rooms taxes levied pursuant to chapter 225 of this title;
- (8) [Repealed.]
- (9) [Repealed.]
- (10) 16.5 percent of the revenue collected under subdivision 9602(a)(4) of this title, 33 percent of the revenue from the property transfer taxes levied pursuant to chapter 231 of this title all other subdivisions of 9602(a) of this title, and the revenue from the gains taxes levied each year pursuant to chapter 236 of this title; and
- (11) [Repealed.]
- (12) all other revenues accruing to the State not otherwise required by law to be deposited in any other designated fund or used for any other designated purpose.

Sec. 77. 32 V.S.A. § 9610 is amended to read:

§ 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF RETURNS

* * *

(c) Prior to distributions of property transfer tax revenues under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, two percent of the revenues received from the property transfer tax shall be deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs.

(d)(1) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and

~~subsection~~ subsections (c) and (e) of this section, \$2,500,000.00 of the revenue received from the property transfer tax shall be transferred to the Vermont Housing Finance Agency to pay the principal of and interest due on the bonds, notes, and other obligations authorized to be issued by the Agency pursuant to 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and Conservation Board shall use to create affordable housing pursuant to 10 V.S.A. § 314.

(2) As long as the bonds, notes, and other obligations incurred pursuant to subdivision (1) of this subsection remain outstanding, the rate of tax imposed pursuant to section 9602 of this title shall not be reduced below a rate estimated, at the time of any reduction, to generate annual revenues of at least \$12,000,000.00.

(e) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and subsection (c) of this section, \$2,000,000.00 of the revenue received from the property transfer tax shall be transferred to the Act 250 Permit Fund established under 10 V.S.A. § 6029. Prior to a transfer under this subsection, the Commissioner shall adjust the amount transferred according to the percent change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) by determining the increase or decrease, to the nearest one-tenth of a percent, for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the transfer will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the transfer will be made.

Sec. 78. 10 V.S.A. § 6029 is amended to read:

§ 6029. ACT 250 PERMIT FUND

There is hereby established a special fund to be known as the Act 250 Permit Fund for the purposes of implementing the provisions of this chapter. ~~Revenues to the fund~~ The Fund shall be composed of the revenue deposited pursuant to 32 V.S.A. § 9610(e), those fees collected in accordance with section 6083a of this title, gifts, appropriations, and copying and distribution fees. The Board shall be responsible for the Fund and shall account for revenues and expenditures of the Board. At the Commissioner's discretion, the Commissioner of Finance and Management may anticipate amounts to be collected and may issue warrants based thereon for the purposes of this section. Disbursements from the Fund shall be made through the annual appropriations process to the Board and to the Agency of Natural Resources to support those programs within the Agency that directly or indirectly assist in the review of Act 250 applications. This Fund shall be administered as provided in 32 V.S.A. chapter 7, subchapter 5.

Sec. 79. 32 V.S.A. § 3800(q) is added to read:

(q) The statutory purpose of the exemption under 32 V.S.A. chapter 125, subchapter 3 for new construction or rehabilitation is to lower the cost of new construction or rehabilitation of residential properties in this State.

Sec. 80. 32 V.S.A. chapter 125, subchapter 3 is added to read:

Subchapter 3. New Construction or Rehabilitation Exemption

§ 3870. DEFINITIONS

As used in this subchapter:

(1) “Agency” means the Agency of Commerce and Community Development as established under 3 V.S.A. § 2402.

(2) “Appraisal value” has the same meaning as in subdivision 3481(1)(A) of this title.

(3) “Exemption period” has the same meaning as in subsection 3871(d) of this subchapter.

(4) “New construction” means the building of new dwellings.

(5) “Principal residence” means the dwelling occupied by a resident individual as the individual’s domicile during the taxable year and for a property owner, owned, or for a renter, rented under a rental agreement other than a short-term rental as defined under 18 V.S.A. § 4301(a)(14).

(6)(A) “Qualifying improvement” means new construction or a physical change to an existing dwelling or other structure beyond normal and ordinary maintenance, painting, repairs, or replacements, provided the change:

(i) results in new or rehabilitated dwellings that are designed to be occupied as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14); and

(ii) occurred through new construction or rehabilitation, or both, during the 12 months immediately preceding or immediately following submission of an exemption application under this subchapter.

(B) “Qualifying improvement” does not mean new construction or a physical change to any portion of a mixed-use building as defined under 10 V.S.A. § 6001(28) that is not used as a principal residence.

(7)(A) “Qualifying property” means a structure that is:

(i) located within a designated downtown district, village center, or neighborhood development area determined pursuant to 24 V.S.A. chapter 76A or a new market tax credit area determined pursuant to 26 U.S.C. § 45D, or both;

(ii) composed of one or more dwellings designed to be occupied as principal residences, provided:

(I) none of the dwellings shall be occupied as short-term rentals as defined under 18 V.S.A. § 4301(a)(14) before the exemption period ends; and

(II) a structure with more than one dwelling shall only qualify if it meets the definition of mixed-income housing under 10 V.S.A. § 6001(27);

(iii) undergoing, has undergone, or will undergo qualifying improvements; and

(iv) in compliance with all relevant permitting requirements.

(B) “Qualifying property” may have a mixed use as defined under 10 V.S.A. § 6001(28).

(C) “Qualifying property” does not mean property located within a tax increment financing district established under 24 V.S.A. chapter 53, subchapter 5.

(8) “Rehabilitation” means extensive repair, reconstruction, or renovation of an existing dwelling or other structure, with or without demolition, new construction, or enlargement, provided the repair, reconstruction, or renovation:

(A) is for the purpose of eliminating substandard structural, housing, or unsanitary conditions or stopping significant deterioration of the existing structure; and

(B) equals or exceeds a total cost of 15 percent of the grand list value prior to repair, reconstruction, or renovation or \$75,000.00, whichever is less.

(9) “Taxable value” means the value of qualifying property that is taxed during the exemption period.

§ 3871. EXEMPTION

(a) Value increase exemption. An increase in the appraisal value of a qualifying property due to qualifying improvements shall be exempted from property taxation pursuant to this subchapter by fixing and maintaining the taxable value of the qualifying property at the property’s grand list value in the year immediately preceding any qualifying improvements. A decrease in appraisal value of a qualifying property due to damage or destruction from fire or act of nature may reduce the qualifying property’s taxable value below the value fixed under this subsection.

(b) State education property tax exemption. The appraisal value of qualifying improvements to qualifying property shall be exempt from the State education property tax imposed under chapter 135 of this title as provided under this subchapter. The appraisal value exempt under this subsection shall not be exempt from municipal property taxation unless the qualifying property is located in a municipality that has voted to approve an exemption under subsection (c) of this section.

(c) Municipal property tax exemption. If the legislative body of a municipality by a majority vote recommends, the voters of a municipality may, at an annual or special meeting warned for that purpose, adopt by a majority vote of those present and voting an exemption from municipal property tax for the value of qualifying improvements to qualifying property exempt from State property taxation under subsection (b) of this section. The municipal exemption shall remain in effect until rescinded in the same manner the exemption was adopted. Not later than 30 days after the adjournment of a meeting at which a municipal exemption is adopted or rescinded under this subsection, the town clerk shall report to the Director of Property Valuation and Review and the Agency the date on which the exemption was adopted or rescinded.

(d) Exemption period.

(1) An exemption under this subchapter shall start in the first property tax year immediately following the year in which an application for exemption under section 3872 of this title is approved and one of the following occurs:

(A) issuance of a certificate of occupancy by the municipal governing body for the qualifying property; or

(B) the property owner's declaration of ownership of the qualifying property as a homestead pursuant to section 5410 of this title.

(2) An exemption under this subchapter shall remain in effect for two years, provided the property continues to comply with the requirements of this subchapter. When the exemption period ends, the property shall be taxed at its most recently appraised grand list value.

(3) The municipal exemption period for a qualifying property shall start and end at the same time as the State exemption period; provided that, if a municipality first votes to approve a municipal exemption after the State exemption period has already started for a qualifying property, the municipal exemption shall only apply after the vote and notice requirements have been met under subsection (c) of this section and shall only continue until the State exemption period ends.

§ 3872. ADMINISTRATION AND CERTIFICATION

(a) To be eligible for exemption under this subchapter, a property owner shall:

(1) submit an application to the Agency of Commerce and Community Development in the form and manner determined by the Agency, including certification by the property owner that the property and improvements qualify for exemption at the time of application and annually thereafter until the exemption period ends; and

(2) the certification shall include an attestation under the pains and penalties of perjury that the property will be used in the manner provided under this subchapter during the exemption period, including occupancy of dwellings as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14), and that the property owner will either provide alternative housing for tenants at the same rent or that the property has been unoccupied either by a tenant's choice or for 60 days prior to the application. A certification by the property owner granted under this subdivision shall:

(A) be coextensive with the exemption period;

(B) require notice to the Agency of the transfer or assignment of the property prior to transfer, which shall include the transferee's or assignee's full names, phone numbers, and e-mail and mailing addresses;

(C) require notice to any prospective transferees or assignees of the property of the requirements of the exemption under this subchapter; and

(D) require a new certification to be signed by the transferees or assignees of the property.

(b) The Agency shall establish and make available application forms and procedures necessary to verify initial and ongoing eligibility for exemption under this subchapter. Not later than 60 days after receipt of a completed application, the Agency shall determine whether the property and any proposed improvements qualify for exemption and shall issue a written decision approving or denying the exemption. The Agency shall notify the property owner, the municipality where the property is located, and the Commissioner of Taxes of its decision.

(c) If the property owner fails to use the property according to the terms of the certification, the Agency shall, after notifying the property owner, determine whether to revoke the exemption. If the exemption is revoked, the Agency shall notify the property owner, the municipality where the property is located, and the Commissioner of Taxes. Upon notification of revocation, the Commissioner shall assess to the property owner:

(1) all State and municipal property taxes as though no exemption had been approved, including for any exemption period that had already begun; and

(2) interest pursuant to section 3202 of this title on previously exempt taxes.

(d) No new applications for exemption shall be approved pursuant to this subchapter after December 31, 2027.

Sec. 81. 32 V.S.A. § 4152(a) is amended to read:

(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:

* * *

(6) For those parcels that are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of this title or what the full listed value of the property would be absent the exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends; provided that, for parcels exempt under chapter 125, subchapter 3 of this title, the insurance replacement value shall not be substituted for the full listed value of the property absent the exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes.

* * *

Sec. 82. REPEALS; NEW CONSTRUCTION OR REHABILITATION EXEMPTION

The following are repealed on July 1, 2037:

(1) 32 V.S.A. § 3800(q) (statutory purpose); and

(2) 32 V.S.A. chapter 125, subchapter 3 (new construction or rehabilitation exemption).

Sec. 83. 32 V.S.A. § 4152(a) is amended to read:

(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:

* * *

(6) For those parcels that are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of

this title or what the full listed value of the property would be absent the exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends; ~~provided that, for parcels exempt under chapter 125, subchapter 3 of this title, the insurance replacement value shall not be substituted for the full listed value of the property absent the exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes.~~

Sec. 84. 32 V.S.A. § 9603 is amended to read:

§ 9603. EXEMPTIONS

The following transfers are exempt from the tax imposed by this chapter:

* * *

(27)(A) Transfers of blighted dwellings that the transferee certifies will be rehabilitated for occupancy as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14), provided the rehabilitation is completed and occupied not later than three years after the date of the transfer. If, three years after the date of transfer, the rehabilitation has not been completed and occupied, then the tax imposed by this chapter shall become due.

(B) As used in this subdivision (27):

(i) “Blighted” means substandard structural or housing conditions, including unsanitary and unsafe dwellings and deterioration sufficient to constitute a threat to human health, safety, and public welfare.

(ii) “Completed” means rehabilitation of a dwelling to be fit for occupancy as a principal residence.

(iii) “Principal residence” means a dwelling occupied by a resident individual as the individual’s domicile during the taxable year and for a property owner, owned, or for a renter, rented under a rental agreement other than a short-term rental as defined under 18 V.S.A. § 4301(a)(14).

(iv) “Rehabilitation” means extensive repair, reconstruction, or renovation of an existing dwelling beyond normal and ordinary maintenance, painting, repairs, or replacements, with or without demolition, new construction, or enlargement.

Sec. 85. 32 V.S.A. § 5811(21)(C) is amended to read:

(C) decreased by the following exemptions and deductions:

* * *

(iv) an amount equal to the itemized deduction for medical expenses taken at the federal level by the taxpayer, under 26 U.S.C. § 213;

~~(I) minus the amount of the Vermont standard deduction and Vermont personal exemptions taken by the taxpayer under this subdivision (C); and~~

~~(II) minus any amount deducted at the federal level that is attributable to the payment of an entrance fee or recurring monthly payment made to a continuing care retirement community regulated under 8 V.S.A. chapter 151, which exceeds the deductibility limits for premiums paid during the taxable year on qualified long-term care insurance contracts under 26 U.S.C. 213(d)(10)(A).~~

* * * Housing Programs * * *

Sec. 86. 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.

(4) The Department may utilize a reasonable percentage of appropriations made to the Department for the Program to administer the Program.

(5) The Department may cooperate with and subgrant funds to State agencies and political subdivisions and public and private organizations in order to carry out the purposes of this subsection.

(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:

* * *

(d) Program requirements applicable to grants and forgivable loans.

(1)(A) A ~~grant or~~ loan shall not exceed:

(i) \$70,000.00 per unit, for any unit converted from commercial to residential purposes; or

(ii) \$50,000.00 per unit, for any other eligible rental housing unit.

(B) 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.

* * *

(e) Program requirements applicable to grants and five-year forgivable loans. For a grant or five-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of five years:

* * *

(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~~ prorated credit for loan forgiveness for each year in which the landlord participates in the ~~grant~~ program.

(f) Requirements applicable to 10-year forgivable loans. For a 10-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of 10 years:

* * *

Sec. 87. VERMONT RENTAL HOUSING IMPROVEMENT APPROPRIATION

The sum of \$5,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for the Vermont Housing Improvement Program established in 10 V.S.A. § 699.

Sec. 88. HEALTHY HOMES INITIATIVE APPROPRIATION

The sum of \$1,000,000.00 is appropriated from the General Fund to the Department of Environmental Conservation in fiscal year 2025 for the Healthy Homes Initiative.

Sec. 89. 2023 Acts and Resolves No. 47, Sec. 36 is amended to read:

Sec. 36. MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT PROGRAM

* * *

(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~~ at the time of approval of the project, unless the Agency later determines that the project will not result in affordable owner-occupied housing for income-eligible homebuyers without additional subsidy, in which case the Agency may, at its discretion, reasonably exceed this limitation and only to the extent required to achieve affordable owner-occupied housing. The Agency may shall allocate subsidies 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, agreement or uses another legal mechanism, ~~to ensure that, to the extent the home value has risen, the amount of the subsidy upon sale of the home, to the extent proceeds are available, the amount of the affordability subsidy either:~~

(i) remains with the home to offset the cost to future homebuyers;
or

(ii) is recaptured by the Agency upon sale of the home for use in a similar program to support affordable homeownership development; 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.

* * *

(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.~~

* * *

Sec. 90. REPEAL

2023 Acts and Resolves No. 47, Sec. 37 (middle-income homeownership; implementation) is repealed.

Sec. 91. APPROPRIATION; MIDDLE-INCOME HOMEOWNERSHIP
DEVELOPMENT PROGRAM

The sum of \$10,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development to grant to the Vermont Housing Finance Agency in fiscal year 2025 for the Middle-Income Homeownership Development Program established by 2022 Acts and Resolves No. 182, Sec. 11, and amended from time to time.

Sec. 92. APPROPRIATION; VERMONT HOUSING CONSERVATION BOARD; PERPETUALLY AFFORDABLE HOUSING

The sum of \$40,000,000.00 is appropriated from the General Fund to the Vermont Housing Conservation Board in fiscal year 2025 for the following purposes:

(1) to provide support and enhance capacity for the production and preservation of affordable rental housing and homeownership units, including support for manufactured home communities, permanent homes for those experiencing homelessness, recovery residences, and housing available to farm workers and refugees; and

(2) to fund the construction and preservation of emergency shelter for households experiencing homelessness.

Sec. 93. APPROPRIATION; RENTAL HOUSING STABILIZATION SERVICES

The sum of \$400,000.00 is appropriated from the General Fund to the Office of Economic Opportunity within the Department for Children and Families in fiscal year 2025 for a grant to the Champlain Valley Office of Economic Opportunity for the Rental Housing Stabilization Services Program established by 2023 Acts and Resolves No. 47, Sec. 43.

Sec. 94. APPROPRIATION; TENANT REPRESENTATION PILOT PROGRAM

The sum of \$1,025,000.00 is appropriated from the General Fund to the Agency of Human Services in fiscal year 2025 for a grant to Vermont Legal Aid for the Tenant Representation Pilot Program established by 2023 Acts and Resolves No. 47, Sec. 44.

Sec. 95. APPROPRIATION; RENT ARREARS ASSISTANCE FUND

The sum of \$2,500,000.00 is appropriated from the General Fund to the Vermont State Housing Authority in fiscal year 2025 for the Rent Arrears Assistance Fund established by 2023 Acts and Resolves No. 47, Sec. 45.

Sec. 96. APPROPRIATION; LANDLORD RELIEF PROGRAM

The sum of \$1,100,000.00 is appropriated from the General Fund to the Vermont State Housing Authority in fiscal year 2025 for the Landlord Relief Program to assist landlords eligible to access relief due to participation in the Section 8 project-based voucher program.

Sec. 97. APPROPRIATION; FIRST GENERATION HOMEBUYER PROGRAM

The sum of \$1,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for a grant to the Vermont Housing Finance Agency for the First-Generation Homebuyer Program established by 2022 Acts and Resolves No. 182, Sec. 2, and amended from time to time.

* * * Rental Data Collection and Protection * * *

Sec. 98. 32 V.S.A. § 6069 is amended to read:

§ 6069. LANDLORD CERTIFICATE

(a) On or before January 31 of each year, the owner of land rented as a portion of a homestead in the prior calendar year shall furnish a certificate of rent to the Department of Taxes and to each claimant who owned a portion of the homestead and rented that land as a portion of a homestead in the prior calendar year. The certificate shall indicate the proportion of total property tax on that parcel that was assessed for municipal property tax and for statewide property tax.

(b) The owner of each rental property shall, on or before January 31 of each year, furnish a certificate of rent to the Department of Taxes.

(c) A certificate under this section shall be in a form prescribed by the Commissioner and shall include the following:

(1) the name of the renter;

(2) the address and any property tax parcel identification number of the homestead, ~~the information required under subsection (f) of this section;~~

(3) the name of the owner or landlord of the rental unit;

(4) the phone number, e-mail address, and mailing address of the landlord, as available;

(5) the location of the rental unit;

(6) the type of rental unit;

(7) the number of rental units in the building;

(8) the gross monthly rent per unit;

(9) the year in which the rental unit was built;

(10) the ADA accessibility of the rental unit; and

(11) any additional information that the Commissioner determines is appropriate.

(d) An owner who knowingly fails to furnish a certificate to the Department as required by this section shall be liable to the Commissioner for a penalty of \$200.00 for each failure to act. Penalties under this subsection shall be assessed and collected in the manner provided in chapter 151 of this title for the assessment and collection of the income tax.

(e) [Repealed.]

~~(f) Annually on or before October 31, the Department shall prepare and make available to a member of the public upon request a database in the form of a sortable spreadsheet that contains the following information for each rental unit for which the Department received a certificate pursuant to this section:~~

- ~~(1) name of owner or landlord;~~
- ~~(2) mailing address of landlord;~~
- ~~(3) location of rental unit;~~
- ~~(4) type of rental unit;~~
- ~~(5) number of units in building; and~~

~~(6) School Property Account Number. Annually on or before December 15, the Department shall submit a report on the aggregated data collected under this section to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General and Housing.~~

Sec. 99. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

(a) No present or former officer, employee, or agent of the Department of Taxes shall disclose any return or return information to any person who is not an officer, employee, or agent of the Department of Taxes except in accordance with the provisions of this section. A person who violates this section shall be fined not more than \$1,000.00 or imprisoned for not more than one year, or both; and if the offender is an officer or employee of this State, the offender shall, in addition, be dismissed from office and be incapable of holding any public office for a period of five years thereafter.

(b) The following definitions shall apply for purposes of this chapter:

* * *

(3) "Return information" includes a person's name, address, date of birth, Social Security or federal identification number or any other identifying number; information as to whether or not a return was filed or required to be

filed; the nature, source, or amount of a person's income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liabilities, tax payments, deficiencies, or over-assessments; and any other data, from any source, furnished to or prepared or collected by the Department of Taxes with respect to any person.

* * *

(d) The Commissioner shall disclose a return or return information:

* * *

(7) to the Joint Fiscal Office pursuant to subsection 10503(e) of this title and subject to the conditions and limitations specified in that subsection; ~~and~~

(8) to the Attorney General; the Data Clearinghouse established in the October 2017 Non-Participating Manufacturer Adjustment Settlement Agreement, which the State of Vermont joined in 2018; the National Association of Attorneys General; and counsel for the parties to the Agreement as required by the Agreement and to the extent necessary to comply with the Agreement and only as long as the State is a party to the Agreement; and

(9) annually on or before March 31, provided the disclosure relates to the information collected on the landlord certificate pursuant to subsection 6069(c) of this title, to:

(A) the Division of Vermont Emergency Management at the Department of Public Safety for the purpose of emergency management and communication; and

(B) the Department of Housing and Community Development and any organization then under contract with the Department of Housing and Community Development to carry out a statewide housing needs assessment for the purpose of the statewide housing needs assessment.

* * * Short-Term Rentals * * *

Sec. 100. 20 V.S.A. § 2676 is amended to read:

§ 2676. DEFINITION

As used in this chapter:

(1) ~~“rental~~ Rental housing” means:

~~(1)(A)~~ (A) a “premises” as defined in 9 V.S.A. § 4451 that is subject to 9 V.S.A. chapter 137 (residential rental agreements); and

~~(2)(B)~~ (B) a “short-term rental” ~~as defined in 18 V.S.A. § 4301 and~~ subject to 18 V.S.A. chapter 85, subchapter 7.

(2) “Short-term rental” has the same meaning as in 18 V.S.A. § 4301.

Sec. 101. 20 V.S.A. § 2678 is added to read:

§ 2678. SHORT-TERM RENTALS; HEALTH AND SAFETY
DISCLOSURE

(a) The Department of Public Safety’s Division of Fire Safety shall prepare concise guidance on the rules governing health, safety, sanitation, and fitness for habitation of short-term rentals in this State and provide the guidance to any online platform or travel agent hosting or facilitating the offering of a short-term rental in this State.

(b) Any online platform or travel agent hosting or facilitating the offering of a short-term rental in this State shall make available the guidance under subsection (a) of this section to a short-term rental operator in this State.

(c) A short-term rental operator shall:

(1) physically post the guidance under subsection (a) of this section in a conspicuous place in any short-term rental offered for rent in this State; and

(2) provide the guidance under subsection (a) of this section as part of any offering or listing of a short-term rental in this State.

* * * Flood Risk Disclosure * * *

Sec. 102. 27 V.S.A. § 380 is added to read:

§ 380. DISCLOSURE OF INFORMATION; CONVEYANCE OF REAL
ESTATE

(a) Prior to or as part of a contract for the conveyance of real property, the seller shall provide notice to the buyer whether the property is subject to any requirement under federal law to obtain and maintain flood insurance on the property. This notice shall be provided in a clear and conspicuous manner in a separate written document and attached as an addendum to the contract.

(b) The failure of the seller to provide the buyer with the information required under subsection (a) of this section is grounds for the buyer to terminate the contract prior to transfer of title or occupancy, whichever occurs earlier.

(c) A buyer of real estate who fails to receive the information required to be disclosed by a seller under subsection (a) of this section may bring an action to recover from the seller the amount of the buyer’s damages and reasonable attorney’s fees. The buyer may also seek punitive damages when the seller knowingly failed to provide the required information.

(d) A seller shall not be liable for damages under this section for any error, inaccuracy, or omission of any information required to be disclosed to the buyer under subsection (a) of this section when the error, inaccuracy, or omission was based on information provided by a public body or a by another person with a professional license or special knowledge who provided a written report that the seller reasonably believed to be correct and that was provided by the seller to the buyer.

(e) Noncompliance with the requirements of this section shall not affect the marketability of title of a real property.

Sec. 103. 9 V.S.A. § 4466 is added to read:

§ 4466. REQUIRED DISCLOSURE

A landlord shall disclose in advance of entering a rental agreement with a tenant whether any portion of the premises offered for rent is located in a Federal Emergency Management Agency mapped flood hazard area. This notice shall be provided in a separate written document given to the tenant at or before execution of the lease.

Sec. 104. 10 V.S.A. § 6236(e) is amended to read:

(e) All mobile home lot leases shall contain the following:

* * *

(8) Notice that the mobile home park is in a flood hazard area if any lot within the mobile home park is wholly or partially located in a flood hazard area according to the flood insurance rate map effective for the mobile home park at the time the proposed lease is furnished to a prospective leaseholder. This notice shall be provided in a clear and conspicuous manner in a separate written document attached as an addendum to the proposed lease.

Sec. 105. 10 V.S.A. § 6201 is amended to read:

§ 6201. DEFINITIONS

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

* * *

(13) “Flood hazard area” has the same meaning as in section 752 of this title.

(14) “Flood insurance rate map” means, for any mobile home park, the official flood insurance rate map describing that park published by the Federal Emergency Management Agency on its website.

* * * Mobile Homes * * *

Sec. 106. 2022 Acts and Resolves No. 182, Sec. 3, as amended by 2023 Acts and Resolves No. 3, Sec. 75 and 2023 Acts and Resolves No. 78, Sec. C.119, is further amended to read:

Sec. 3. MANUFACTURED HOME IMPROVEMENT AND REPLACEMENT PROGRAM

(a) Of the amounts available from the American Rescue Plan Act (ARPA) recovery funds, \$4,000,000 is appropriated to the Department of Housing and Community Development for the purposes specified:

* * *

(b) The Department administers the Manufactured Home Improvement and Repair Program and may utilize a reasonable percentage of appropriations made to the Department for the Program to administer the Program. The Department may cooperate with and subgrant funds to State agencies and political subdivisions and public and private organizations in order to carry out the purposes of subsection (a) of this section.

Sec. 107. MANUFACTURED HOME IMPROVEMENT AND REPAIR PROGRAM APPROPRIATIONS; INFRASTRUCTURE; MOBILE HOME REPAIR

The sum of \$2,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for the following purposes:

(1) to improve mobile home park infrastructure under the Manufactured Home Improvement and Repair Program established by 2022 Acts and Resolves No. 182, Sec. 3, and amended from time to time; and

(2) to expand the Home Repair Awards program under the Manufactured Home Improvement and Repair Program established by 2022 Acts and Resolves No. 182, Sec. 3, and amended from time to time.

Sec. 108. MOBILE HOME TECHNICAL ASSISTANCE APPROPRIATION

(a) The sum of \$700,000.00 is appropriated from the General Fund to the Department of Housing and Community Development for a subgrant to the Champlain Valley Office of Economic Opportunity in fiscal year 2025 to fund the Mobile Home Park Technical Assistance Services Team, including administration and direct project administration costs, such as advertising, background check fees, office supplies, postage, staff mileage liability insurance, training, service contracts, rent, utilities, telephone, space maintenance, and staffing.

(b) The sum of \$300,000.00 is appropriated from the General Fund to the Department of Housing and Community Development for a subgrant to the Champlain Valley Office of Economic Opportunity in fiscal year 2025 to fund individual resident emergency grants accessible to all income-eligible mobile homeowners statewide to prevent loss of housing, remediate unsafe housing, enhance housing safety, health, and habitability issues, and provide relief from the impacts of natural disaster.

* * * Age-Restricted Housing * * *

Sec. 109. 10 V.S.A. § 325c is added to read:

§ 325c. AGE-RESTRICTED HOUSING; RIGHT OF FIRST REFUSAL

(a) Definitions. As used in this section:

(1) “Age-restricted property” means a privately owned age-restricted residential property that is not licensed pursuant to 33 V.S.A. chapter 71 or 8 V.S.A. chapter 151.

(2) “Eligible buyer” means a nonprofit housing provider.

(b) Right of first refusal; assignment to eligible buyer.

(1) The Vermont Housing and Conservation Board shall have a right of first refusal for age-restricted properties as set out in this section. The Board may assign this right to an eligible buyer.

(2) For any offer made under this section, the Board or its assignee shall contractually commit to maintaining any affordability requirements in place for the age-restricted property at the time of sale.

(c) Content of notice. An owner of age-restricted property shall give to the Board notice by certified mail, return receipt requested, of the owner’s intention to sell the age-restricted property. The requirements of this section shall not be construed to restrict the price at which the owner offers the age-restricted housing for sale. The notice shall state all the following:

(1) that the owner intends to sell the age-restricted property;

(2) the price, terms, and conditions under which the owner offers the age-restricted property for sale;

(3) that for 60 days following the notice, the owner shall not make a final unconditional acceptance of an offer to purchase the age-restricted property and that if within the 60 days the owner receives notice pursuant to subsection (d) of this section that the Board or its assignee intends to consider purchase of the age-restricted property, the owner shall not make a final unconditional acceptance of an offer to purchase the age-restricted property for

an additional 120 days, starting from the 61st day following notice, except one from the Board or its assignee.

(d) Intent to negotiate; timetable. The Board or its assignee shall have 60 days following notice under subsection (c) of this section in which to determine whether the buyer intends to consider purchase of the age-restricted property. During this 60-day period, the owner shall not accept a final unconditional offer to purchase the age-restricted property.

(e) Response to notice; required action. If the owner receives no notice from the Board or its assignee during the 60-day period or if the Board notifies the owner that neither it nor its designee intends to consider purchase of the age-restricted property, the owner has no further restrictions regarding sale of the age-restricted property pursuant to this section. If, during the 60-day period, the owner receives notice in writing that the Board or its assignee intends to consider purchase of the age-restricted property, then the owner shall do all the following:

(1) not accept a final unconditional offer to purchase from a party other than the Board or its assignee giving notice under subsection (d) of this section for 120 days following the 60-day period, a total of 180 days following the notice under subsection (c);

(2) negotiate in good faith with the Board or its assignee giving notice under subsection (d) of this section; and

(3) consider any offer to purchase from the Board or its assignee giving notice under subsection (d) of this section.

(f) Exceptions. The provisions of this section do not apply when the sale, transfer, or conveyance of the age-restricted property is any one or more of the following:

(1) through a foreclosure sale;

(2) to a member of the owner's family or to a trust for the sole benefit of members of the owner's family;

(3) among the partners who own the age-restricted property;

(4) incidental to financing the age-restricted property;

(5) between joint tenants or tenants in common;

(6) pursuant to eminent domain; or

(7) pursuant to a municipal tax sale.

(g) Requirement for new notice of intent to sell.

(1) Subject to subdivision (2) of this subsection, a notice of intent to sell issued pursuant to subsection (b) of this section shall be valid:

(A) for a period of one year from the expiration of the 60-day period following the date of the notice; or

(B) if the owner has entered into a binding purchase and sale agreement with the Board or its assignee within one year from the expiration of the 60-day period following the date of the notice, until the completion of the sale of the age-restricted property under the agreement or the expiration of the agreement, whichever is sooner.

(2) During the period in which a notice of intent to sell is valid, an owner shall provide a new notice of intent to sell, consistent with the requirements of subsection (b) of this section, prior to making an offer to sell the age-restricted property or accepting an offer to purchase the age-restricted property that is either more than five percent below the price for which the age-restricted property was initially offered for sale or less than five percent above the final written offer from the Board or its assignee.

(h) "Good faith." The Board or its assignee shall negotiate in good faith with the owner for purchase of the age-restricted property.

Sec. 110. 9 V.S.A. § 4468a is added to read:

§ 4468a. AGE-RESTRICTED HOUSING; RENT INCREASE; NOTICE

(a) Except as provided in subsection (c) of this section, an owner of privately owned age-restricted residential property within the State that is not licensed pursuant to 33 V.S.A. chapter 71 or 8 V.S.A. chapter 151 shall provide written notification on a form provided by the Department of Housing and Community Development to the Department and all the affected residents of any rent increase at the property not later than 60 days before the effective date of the proposed increase. The notice shall include all the following:

- (1) the amount of the proposed rent increase;
- (2) the effective date of the increase;
- (3) a copy of the resident's rights pursuant to this section; and
- (4) the percentage of increase from the current base rent.

(b) If the owner fails to notify either the residents or the Department of a rent increase as required by subsection (a) of this section, the proposed rent increase shall be ineffective and unenforceable.

(c) This section shall not apply to any rent increase at any publicly subsidized affordable housing that is monitored by a State or federal agency for rent limitations.

* * * Reports and Studies * * *

Sec. 111. LAND BANK REPORT

(a) The Department of Housing and Community Development and the Vermont League of Cities and Towns shall analyze the feasibility of a land bank program that would identify, acquire, and restore to productive use vacant, abandoned, contaminated, and distressed properties. The Department and the League shall engage with local municipalities, regional organizations, community organizations, and other stakeholders to explore:

(1) existing authority for public interest land acquisition for redevelopment and use;

(2) successful models and best practices for land bank programs in Vermont and other jurisdictions, including local, regional, nonprofit, state, and hybrid approaches that leverage the capacities of diverse communities and organizations within Vermont;

(3) potential benefits and challenges to creating and implementing a land bank program in Vermont;

(4) alternative approaches to State and municipal land acquisition, including residual value life estates and eminent domain, for purposes of revitalization and emergency land management, including for placement of trailers and other temporary housing;

(5) funding mechanisms and resources required to establish and operate a land bank program; and

(6) the legal and regulatory framework required to govern a State land bank program.

(b) On or before December 15, 2024, the Department of Housing and Community Development and the Vermont League of Cities and Towns shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General and Housing with its findings and recommendations, including proposed draft legislation for the establishment and operation of a land bank.

Sec. 112. RENT PAYMENT REPORTING REPORT

(a) To facilitate the development of a pilot program for housing providers to report tenant rent payments for inclusion in consumer credit reports, the Office of the State Treasurer shall study:

(1) any entities currently facilitating landlord credit reporting;

(2) the number of landlords in Vermont utilizing rent payment software, related software expenses, and the need for or benefit of utilizing software for positive pay reporting;

(3) the impacts on tenants from rent payment reporting programs, including, if feasible, data gathered from the Champlain Housing Trust's program;

(4) any logistical steps the State must take to facilitate the program and any associated administrative costs; and

(5) any other issues the Treasurer deems appropriate for facilitating the development of the pilot program.

(b) On or before December 15, 2024, the Treasurer shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs with its findings and recommendations, which may be in the form of proposed legislation.

Sec. 113. LANDLORD-TENANT LAW; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Landlord-Tenant Law Study Committee to review and consider modernizing the landlord-tenant laws and evictions processes in Vermont.

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

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

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

(3) a representative of Vermont Legal Aid with experience defending tenants in evictions actions;

(4) a representative of the Vermont Landlords Association;

(5) a representative of the Department of Housing and Community Development; and

(6) a representative of the Judiciary.

(c) Powers and duties. The Committee shall study issues with Vermont's landlord-tenant laws and current evictions process, including the following issues:

(1) whether Vermont's landlord-tenant laws require modernization;

(2) the impact of evictions policies on rental housing availability;

(3) whether current termination notice periods and evictions processing timelines reflect the appropriate balance between landlord and tenant interests;

(4) practical obstacles to the removal of unlawful occupants; and

(5) whether existing bases for termination are properly utilized, including specifically 9 V.S.A. § 4467(b)(2) (termination for criminal activity, illegal drug activity, or acts of violence).

(d) Assistance. For purposes of scheduling meetings and preparing recommended legislation, the Committee shall have the assistance of the Office of Legislative Operations and the Office of Legislative Counsel.

(e) Report. On or before December 15, 2024, the Committee shall report to the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action, which may be in the form of proposed legislation.

(f) Meetings.

(1) The ranking member of the Senate shall call the first meeting of the Committee to occur on or before August 31, 2024.

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

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

(4) The Committee shall cease to exist upon submission of its findings and any recommendations for legislative action.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the 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 six meetings.

(2) Other members of the Committee 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 Committee authorized under this subsection shall be made from monies appropriated to the General Assembly.

* * * Effective Dates * * *

Sec. 114. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Secs. 11 (10 V.S.A. § 6007), 13 (10 V.S.A. chapter 220) and 14 (4 V.S.A. § 34) shall take effect on October 1, 2026;

(2) Sec. 18 (revision authority) shall take effect on July 1, 2025.

(3) Secs. 19 (10 V.S.A. § 6001), 20 (10 V.S.A. § 6086(a)(8)), and 26 (10 V.S.A. § 6001) shall take effect on December 31, 2026;

(4) Sec. 24 (10 V.S.A. § 6001(3)(A)(xii)) shall take effect on July 1, 2026;

(5) Sec. 68 (32 V.S.A. § 5930aa) shall take effect on January 1, 2027;

(6) Notwithstanding 1 V.S.A. § 214, Sec. 85 (medical expenses deduction) shall take effect retroactively on January 1, 2024 and shall apply to taxable years beginning on and after January 1, 2024.;and

(7) Sec. 83 (grand list contents, 32 V.S.A. § 4152(a)) shall take effect on July 1, 2037.

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

Senator Ram Hinsdale, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill as recommended by the Committee on Natural Resources and Energy with the following proposals of amendment thereto:

First: By striking out Sec. 63, municipal and regional planning and resilience grant program, in its entirety and inserting in lieu thereof the following:

Sec. 63. [Deleted.]

Second: By striking out Secs. 72, downtown tax credit cap, and 73, property transfer tax, in their entirety and inserting in lieu thereof the following:

Sec. 72. [Deleted.]

Sec. 73. 32 V.S.A. § 9602 is amended to read:

§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

A tax is hereby imposed upon the transfer by deed of title to property located in this State, or a transfer or acquisition of a controlling interest in any person with title to property in this State. The amount of the tax equals one and one-quarter percent of the value of the property transferred, or \$1.00, whichever is greater, except as follows:

(1) With respect to the transfer of property to be used for the principal residence of the transferee, the tax shall be imposed at the rate of five-tenths of one percent of the first \$100,000.00 in value of the property transferred and at the rate of one and one-quarter percent of the value of the property transferred in excess of \$100,000.00; except that no tax shall be imposed on the first ~~\$110,000.00~~ \$150,000.00 in value of the property transferred if the purchaser obtains a purchase money mortgage funded in part with a homeland grant through the Vermont Housing and Conservation Trust Fund or that the Vermont Housing and Finance Agency or U.S. Department of Agriculture and Rural Development has committed to make or purchase; and tax at the rate of one and one-quarter percent shall be imposed on the value of that property in excess of ~~\$110,000.00~~ \$150,000.00.

* * *

(4) Tax shall be imposed at the rate of two and one-half percent of the value of the property transferred with respect to transfers of:

(A) residential property that is fit for habitation on a year-round basis;

(B) will not be used as the principal residence of the transferee; and

(C) for which the transferee will not be required to provide a landlord certificate pursuant to section 6069 of this title..

Third: By striking out Secs. 74–85 in their entirety and inserting in lieu thereof the following:

Sec. 74. ALLOCATIONS; PROPERTY TRANSFER TAX

Notwithstanding 10 V.S.A. § 312, 24 V.S.A. § 4306(a), 32 V.S.A. § 9610(c), or any other provision of law to the contrary, amounts in excess of \$32,954,775.00 from the property transfer tax shall be transferred into the General Fund. Of this amount:

(1) \$5,137,260.00 shall be transferred from the General Fund into the Vermont Housing and Conservation Trust Fund.

(2) \$1,279,740.00 shall be transferred from the General Fund into the Municipal and Regional Planning Fund.

Sec. 75. [Deleted.]

Sec. 76. [Deleted.]

Sec. 77. 32 V.S.A. § 9610 is amended to read:

§ 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF RETURNS

* * *

(c) Prior to distributions of property transfer tax revenues under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, two percent of the revenues received from the property transfer tax shall be deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs.

(d)(1) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and ~~subsection~~ subsections (c) and (e) of this section, \$2,500,000.00 of the revenue received from the property transfer tax shall be transferred to the Vermont Housing Finance Agency to pay the principal of and interest due on the bonds, notes, and other obligations authorized to be issued by the Agency pursuant to 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and Conservation Board shall use to create affordable housing pursuant to 10 V.S.A. § 314.

(2) As long as the bonds, notes, and other obligations incurred pursuant to subdivision (1) of this subsection remain outstanding, the rate of tax imposed pursuant to section 9602 of this title shall not be reduced below a rate estimated, at the time of any reduction, to generate annual revenues of at least \$12,000,000.00.

(e) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and subsection (c) of this section, \$900,000.00 of the revenue received from the property transfer tax shall be transferred to the Act 250 Permit Fund established under 10 V.S.A. § 6029. Prior to a transfer under this subsection, the Commissioner shall adjust the amount transferred according to the percent change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) by determining the increase or decrease, to the nearest one-tenth of a percent, for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the transfer will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the transfer will be made.

Sec. 78. 10 V.S.A. § 6029 is amended to read:

§ 6029. ACT 250 PERMIT FUND

There is hereby established a special fund to be known as the Act 250 Permit Fund for the purposes of implementing the provisions of this chapter. ~~Revenues to the fund~~ The Fund shall be composed of the revenue deposited pursuant to 32 V.S.A. § 9610(e), those fees collected in accordance with section 6083a of this title, gifts, appropriations, and copying and distribution

fees. The Board shall be responsible for the Fund and shall account for revenues and expenditures of the Board. At the Commissioner's discretion, the Commissioner of Finance and Management may anticipate amounts to be collected and may issue warrants based thereon for the purposes of this section. Disbursements from the Fund shall be made through the annual appropriations process to the Board and to the Agency of Natural Resources to support those programs within the Agency that directly or indirectly assist in the review of Act 250 applications. This Fund shall be administered as provided in 32 V.S.A. chapter 7, subchapter 5.

Sec. 79. 32 V.S.A. § 3800(q) is added to read:

(q) The statutory purpose of the exemption under 32 V.S.A. chapter 125, subchapter 3 for new construction or rehabilitation is to lower the cost of new construction or rehabilitation of residential properties in flood-impacted communities.

Sec. 80. 32 V.S.A. chapter 125, subchapter 3 is added to read:

Subchapter 3. New Construction or Rehabilitation in Flood-Impacted
Communities

§ 3870. DEFINITIONS

As used in this subchapter:

(1) "Agency" means the Agency of Commerce and Community Development as established under 3 V.S.A. § 2402.

(2) "Appraisal value" has the same meaning as in subdivision 3481(1)(A) of this title.

(3) "Exemption period" has the same meaning as in subsection 3871(d) of this subchapter.

(4) "New construction" means the building of new dwellings.

(5) "Principal residence" means the dwelling occupied by a resident individual as the individual's domicile during the taxable year and for a property owner, owned, or for a renter, rented under a rental agreement other than a short-term rental as defined under 18 V.S.A. § 4301(a)(14).

(6)(A) "Qualifying improvement" means new construction or a physical change to an existing dwelling or other structure beyond normal and ordinary maintenance, painting, repairs, or replacements, provided the change:

(i) results in new or rehabilitated dwellings that are designed to be occupied as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14); and

(ii) occurred through new construction or rehabilitation, or both, during the 12 months immediately preceding or immediately following submission of an exemption application under this subchapter.

(B) “Qualifying improvement” does not mean new construction or a physical change to any portion of a mixed-use building as defined under 10 V.S.A. § 6001(28) that is not used as a principal residence.

(7)(A) “Qualifying property” means a parcel with a structure that is:

(i) located within a designated downtown district, village center, or neighborhood development area determined pursuant to 24 V.S.A. chapter 76A or a new market tax credit area determined pursuant to 26 U.S.C. § 45D, or both;

(ii) composed of one or more dwellings designed to be occupied as principal residences, provided:

(I) none of the dwellings shall be occupied as short-term rentals as defined under 18 V.S.A. § 4301(a)(14) before the exemption period ends; and

(II) a structure with more than one dwelling shall only qualify if it meets the definition of mixed-income housing under 10 V.S.A. § 6001(27);

(iii) undergoing, has undergone, or will undergo qualifying improvements;

(iv) in compliance with all relevant permitting requirements; and

(v) located in an area that was declared a federal disaster between July 1, 2023 and October 15, 2023 that was eligible for Individual Assistance from the Federal Emergency Management Agency or located in Addison or Franklin county.

(B) “Qualifying property” may have a mixed use as defined under 10 V.S.A. § 6001(28).

(C) “Qualifying property” includes property located within a tax increment financing district established under 24 V.S.A. chapter 53, subchapter 5, provided, notwithstanding 24 V.S.A. § 1896, an increase in the appraisal value of a qualifying property due to qualifying improvements shall be excluded from the total assessed valuation used to determine the district’s tax increment under 24 V.S.A. § 1896 during the exemption period.

(8) “Rehabilitation” means extensive repair, reconstruction, or renovation of an existing dwelling or other structure, with or without

demolition, new construction, or enlargement, provided the repair, reconstruction, or renovation:

(A) is for the purpose of eliminating substandard structural, housing, or unsanitary conditions or stopping significant deterioration of the existing structure; and

(B) equals or exceeds a total cost of 15 percent of the grand list value prior to repair, reconstruction, or renovation or \$75,000.00, whichever is less.

(9) "Taxable value" means the value of qualifying property that is taxed during the exemption period.

§ 3871. EXEMPTION

(a) Value increase exemption. An increase in the appraisal value of a qualifying property due to qualifying improvements shall be exempted from property taxation pursuant to this subchapter by fixing and maintaining the taxable value of the qualifying property at the property's grand list value in the year immediately preceding any qualifying improvements. A decrease in appraisal value of a qualifying property due to damage or destruction from fire or act of nature may reduce the qualifying property's taxable value below the value fixed under this subsection.

(b) State education property tax exemption. The appraisal value of qualifying improvements to qualifying property shall be exempt from the State education property tax imposed under chapter 135 of this title as provided under this subchapter. The appraisal value exempt under this subsection shall not be exempt from municipal property taxation unless the qualifying property is located in a municipality that has voted to approve an exemption under subsection (c) of this section.

(c) Municipal property tax exemption. If the legislative body of a municipality by a majority vote recommends, the voters of a municipality may, at an annual or special meeting warned for that purpose, adopt by a majority vote of those present and voting an exemption from municipal property tax for the value of qualifying improvements to qualifying property exempt from State property taxation under subsection (b) of this section. The municipal exemption shall remain in effect until rescinded in the same manner the exemption was adopted. Not later than 30 days after the adjournment of a meeting at which a municipal exemption is adopted or rescinded under this subsection, the town clerk shall report to the Director of Property Valuation and Review and the Agency the date on which the exemption was adopted or rescinded.

(d) Exemption period.

(1) An exemption under this subchapter shall start in the first property tax year immediately following the year in which an application for exemption under section 3872 of this title is approved and one of the following occurs:

(A) issuance of a certificate of occupancy by the municipal governing body for the qualifying property; or

(B) the property owner's declaration of ownership of the qualifying property as a homestead pursuant to section 5410 of this title.

(2) An exemption under this subchapter shall remain in effect for three years, provided the property continues to comply with the requirements of this subchapter. When the exemption period ends, the property shall be taxed at its most recently appraised grand list value.

(3) The municipal exemption period for a qualifying property shall start and end at the same time as the State exemption period; provided that, if a municipality first votes to approve a municipal exemption after the State exemption period has already started for a qualifying property, the municipal exemption shall only apply after the vote and notice requirements have been met under subsection (c) of this section and shall only continue until the State exemption period ends.

§ 3872. ADMINISTRATION AND CERTIFICATION

(a) To be eligible for exemption under this subchapter, a property owner shall:

(1) submit an application to the Agency of Commerce and Community Development in the form and manner determined by the Agency, including certification by the property owner that the property and improvements qualify for exemption at the time of application and annually thereafter until the exemption period ends; and

(2) the certification shall include an attestation under the pains and penalties of perjury that the property will be used in the manner provided under this subchapter during the exemption period, including occupancy of dwellings as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14), and that the property owner will either provide alternative housing for tenants at the same rent or that the property has been unoccupied either by a tenant's choice or for 60 days prior to the application. A certification by the property owner granted under this subdivision shall:

(A) be coextensive with the exemption period;

(B) require notice to the Agency of the transfer or assignment of the property prior to transfer, which shall include the transferee's or assignee's full names, phone numbers, and e-mail and mailing addresses;

(C) require notice to any prospective transferees or assignees of the property of the requirements of the exemption under this subchapter; and

(D) require a new certification to be signed by the transferees or assignees of the property.

(b) The Agency shall establish and make available application forms and procedures necessary to verify initial and ongoing eligibility for exemption under this subchapter. Not later than 60 days after receipt of a completed application, the Agency shall determine whether the property and any proposed improvements qualify for exemption and shall issue a written decision approving or denying the exemption. The Agency shall notify the property owner, the municipality where the property is located, and the Commissioner of Taxes of its decision.

(c) If the property owner fails to use the property according to the terms of the certification, the Agency shall, after notifying the property owner, determine whether to revoke the exemption. If the exemption is revoked, the Agency shall notify the property owner, the municipality where the property is located, and the Commissioner of Taxes. Upon notification of revocation, the Commissioner shall assess to the property owner:

(1) all State and municipal property taxes as though no exemption had been approved, including for any exemption period that had already begun; and

(2) interest pursuant to section 3202 of this title on previously exempt taxes.

(d) No new applications for exemption shall be approved pursuant to this subchapter after December 31, 2027.

Sec. 81. 32 V.S.A. § 4152(a) is amended to read:

(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:

* * *

(6) For those parcels that are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of this title or what the full listed value of the property would be absent the exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends; provided that, for parcels exempt under chapter 125, subchapter 3 of this title, the insurance replacement value shall not be substituted for the full listed value of the property absent the

exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes.

* * *

Sec. 82. REPEALS; NEW CONSTRUCTION OR REHABILITATION EXEMPTION

The following are repealed on July 1, 2037:

(1) 32 V.S.A. § 3800(q) (statutory purpose); and

(2) 32 V.S.A. chapter 125, subchapter 3 (new construction or rehabilitation exemption).

Sec. 83. 32 V.S.A. § 4152(a) is amended to read:

(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:

* * *

(6) For those parcels that are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of this title or what the full listed value of the property would be absent the exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends; ~~provided that, for parcels exempt under chapter 125, subchapter 3 of this title, the insurance replacement value shall not be substituted for the full listed value of the property absent the exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes.~~

Sec. 84. [Deleted.]

Sec. 85. [Deleted.]

Fourth: In Sec. 114, effectives dates, by striking out subdivision (6) in its entirety and inserting in lieu thereof the following:

(6) Sec. 73 (property transfer tax) shall take effect August 1, 2024.

Fifth: By striking out Secs. 86–97, housing programs, and their reader assistance heading in their entireties and inserting in lieu thereof new reader assistance headings and new Secs. 86–97 to read as follows:

* * * Housing Programs * * *

Sec. 86. 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.

(4) The Department may utilize a reasonable percentage, up to a cap of five percent, of appropriations made to the Department for the Program to administer the Program.

(5) The Department may cooperate with and subgrant funds to State agencies and governmental subdivisions and public and private organizations in order to carry out the purposes of this subsection.

(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:

* * *

(d) Program requirements applicable to grants and forgivable loans.

(1)(A) A grant or loan shall not exceed:

(i) \$70,000.00 per unit, for rehabilitation or creation of an eligible rental housing unit meeting the applicable building accessibility requirements under the Vermont Access Rules; or

(ii) \$50,000.00 per unit, for rehabilitation or creation of any other eligible rental housing unit.

(B) 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, whether the project includes accessibility improvements, and whether the unit is being converted from nonresidential to residential purposes.

(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, the year in which the grant or forgivable loan was extended, and the year in which any affordability covenant ends 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.

(7) A project for rehabilitation or creation of an accessible unit may apply funds to the creation of a parking spot for individuals with disabilities.

(e) Program requirements applicable to grants and five-year forgivable loans. For a grant or five-year forgivable loan awarded 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:

(i) exiting homelessness or, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;

(ii) actively working with an immigrant or refugee resettlement program; or

(iii) composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household exiting homelessness under subdivision (A) of this subdivision (2) 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~~ prorated credit for loan forgiveness for each year in which the landlord participates in the ~~grant program~~ Program.

(f) Requirements applicable to 10-year forgivable loans. For a 10-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of 10 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 (f), a landlord shall lease the unit to a household that is:

(i) exiting homelessness, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;

(ii) actively working with an immigrant or refugee resettlement program; or

(iii) composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household under subdivision (2)(A) of this subsection (f) 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 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)(4) The Department shall forgive 10 percent of the amount of a forgivable loan for each year a landlord participates in the loan program.

* * *

Sec. 87. APPROPRIATION; VERMONT RENTAL HOUSING
IMPROVEMENT PROGRAM

The sum of \$1,900,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for the Vermont Rental Housing Improvement Program established in 10 V.S.A. § 699.

Sec. 88. RESIDENT SERVICES PROGRAM

(a) The Agency of Human Services shall work in coordination with the Vermont Housing and Conservation Board to develop the Resident Services Program for the purpose of distributing funds to eligible affordable housing organizations to respond to timely and urgent resident needs and aid with housing retention.

(b) For purposes of this section, an "eligible affordable housing organization" is a Vermont-based nonprofit or public housing organization that makes available at least 15 percent of its affordable housing portfolio to, or a Vermont-based nonprofit that provides substantial services to, families and individuals experiencing homelessness, including those who require service support or rental assistance to secure and maintain their housing, consistent with the goal of Executive Order No. 03-16 (Publicly Funded Housing for the Homeless).

Sec. 89. 2023 Acts and Resolves No. 47, Sec. 36 is amended to read:

Sec. 36. MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT
PROGRAM

* * *

(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 at the time of approval of the project, unless the Agency later determines that the project will not result in affordable owner-occupied housing for income-eligible homebuyers without additional subsidy, in which case the Agency may, at its discretion, reasonably exceed this limitation and only to the extent required to achieve affordable owner-occupied housing. The Agency may shall allocate subsidies consistent with the following:

* * *

Sec. 90. APPROPRIATION; FIRST-GENERATION HOMEBUYER PROGRAM

The sum of \$1,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for a grant to the Vermont Housing Finance Agency for the First-Generation Homebuyer Program established by 2022 Acts and Resolves No. 182, Sec. 2, and amended from time to time.

Sec. 91. APPROPRIATION; LAND ACCESS AND OPPORTUNITY BOARD

The sum of \$1,000,000.00 is appropriated from the General Fund to the Vermont Housing and Conservation Board in fiscal year 2025 to administer and support the Land Access and Opportunity Board.

* * * Accessibility Priority for Housing Authorities * * *

Sec. 92. 24 V.S.A. § 4010 is amended to read:

§ 4010. DUTIES

(a) In the operation of or management of housing projects, an authority shall at all times observe the following duties with respect to rentals and tenant selection:

* * *

(6) When renting or leasing accessible dwelling accommodations, it shall give priority to tenants with a disability. As used in this subdivision, "accessible" means a dwelling that complies with the requirements for an accessible unit set forth in section 1102 of the 2017 ICC Standard for Accessible and Useable Buildings and Facilities or a similar standard adopted by the Access Board by rule pursuant to 20 V.S.A. § 2901.

* * *

Sec. 93. [Deleted.]

Sec. 94. [Deleted.]

Sec. 95. [Deleted.]

Sec. 96. [Deleted.]

Sec. 97. [Deleted.]

Sixth: By striking out Secs. 106–108, mobile homes, in their entirety and inserting in lieu thereof new Secs. 106–108 to read as follows:

Sec. 106. 2022 Acts and Resolves No. 182, Sec. 3, as amended by 2023 Acts and Resolves No. 3, Sec. 75 and 2023 Acts and Resolves No. 78, Sec. C.119, is further amended to read:

Sec. 3. MANUFACTURED HOME IMPROVEMENT AND
REPLACEMENT REPAIR PROGRAM

(a) Of the amounts available from the American Rescue Plan Act (ARPA) recovery funds, \$4,000,000 is appropriated to the Department of Housing and Community Development for the purposes specified. Amounts appropriated to the Department of Housing and Community Development for the Manufactured Home Improvement and Repair Program shall be used for one or more of the following purposes:

* * *

(b) The Department administers the Manufactured Home Improvement and Repair Program and may utilize a reasonable percentage, up to a cap of five percent, of appropriations made to the Department for the Program to administer the Program.

(c) The Department may cooperate with and subgrant funds to State agencies and governmental subdivisions and public and private organizations in order to carry out the purposes of subsection (a) of this section.

Sec. 107. MANUFACTURED HOME IMPROVEMENT AND REPAIR
PROGRAM APPROPRIATIONS; INFRASTRUCTURE; MOBILE
HOME REPAIR

The sum of \$1,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for the following purposes:

(1) to improve mobile home park infrastructure under the Manufactured Home Improvement and Repair Program established by 2022 Acts and Resolves No. 182, Sec. 3, and amended from time to time; and

(2) to expand the Home Repair Awards program under the Manufactured Home Improvement and Repair Program established by 2022 Acts and Resolves No. 182, Sec. 3, and amended from time to time.

Sec. 108. [Deleted.]

Seventh: In Sec. 113, landlord-tenant law; study committee; report, by adding subsection (h) to read as follows:

(h) Appropriation. The sum of \$10,500.00 is appropriated to the General Assembly from the General Fund in fiscal year 2025 for per diem compensation and reimbursement of expenses for members of the Committee.

Eighth: By adding a new section to be Sec. 113a to read:

Sec. 113a. LONG-TERM AFFORDABLE HOUSING; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Long-Term Affordable Housing Study Committee for the purpose of creating a plan to develop, sustain, and preserve affordable housing in response to Vermont's housing and homelessness crisis. The Committee shall focus on creating permanently affordable housing; reducing both sheltered and unsheltered homelessness; providing opportunities for housing mobility, including homeownership; and ensuring services and specialized housing options are available to Vermonters currently unable to access safe or affordable housing.

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

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

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

(3) the Executive Director of the Vermont Housing and Conservation Board or designee;

(4) the Executive Director of the Vermont Housing Finance Agency or designee;

(5) the Commissioner of the Department of Housing and Community Development or designee;

(6) the Commissioner of the Department for Children and Families or designee; and

(7) three members appointed by the Housing and Homelessness Alliance of Vermont.

(c) Powers and duties. The Committee shall collect data and information on housing and homelessness, Vermonters' experience with housing in Vermont, and successful housing models within and outside Vermont; provide an analysis of Vermont's affordable housing development needs; and make recommendations on a long-term plan to create permanently affordable housing, including:

(1) the number of affordable rental-, homeownership-, and other service-supported housing units needed to fulfill the needs of Vermonters;

(2) the cost of building or rehabilitating the housing to meet Vermont's need for affordable housing broken down by program, with a schedule that establishes affordable housing needs annually for the next 10 years;

(3) an evaluation of the subsidy need to make both rental and homeownership housing affordable to people at different income levels; and

(4) an annual estimate of the number of people who would no longer experience homelessness as a result of implementation of the recommendations of the Committee.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Vermont Housing and Conservation Board.

(e) Report. On or before December 1, 2024, the Committee shall report to the House Committees on General and Housing, on Appropriations, and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs, on Appropriations, and on Finance with its findings and any recommendations for legislative action, which may be in the form of proposed legislation or revenue or appropriations recommendations.

(f) Meetings.

(1) The ranking member of the Senate shall call the first meeting of the Committee to occur on or before August 31, 2024.

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

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

(4) The Committee shall cease to exist upon submission of its recommendations for legislative action and any findings to the House Committees on General and Housing, on Appropriations, and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs, on Appropriations, and on Finance.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the 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 12 meetings.

(2) Other members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 12 meetings.

(3) Payments to members of the Committee authorized under this subsection shall be made from monies appropriated to the General Assembly.

Ninth: By adding a reader assistance heading and a new section to be Sec. 113b to read:

* * * Natural Resources Board Appropriation * * *

Sec. 113b. APPROPRIATION; NATURAL RESOURCES BOARD

The sum of \$400,000.00 is appropriated from the General Fund to the Natural Resources Board in fiscal year 2025 for compensation of board members.

Tenth: By striking out Sec. 99, 32 V.S.A. § 3102, in its entirety and inserting in lieu thereof a new Sec. 99 to read as follows:

Sec. 99. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

(a) No present or former officer, employee, or agent of the Department of Taxes shall disclose any return or return information to any person who is not an officer, employee, or agent of the Department of Taxes except in accordance with the provisions of this section. A person who violates this section shall be fined not more than \$1,000.00 or imprisoned for not more than one year, or both; and if the offender is an officer or employee of this State, the offender shall, in addition, be dismissed from office and be incapable of holding any public office for a period of five years thereafter.

(b) The following definitions shall apply for purposes of this chapter:

* * *

(3) "Return information" includes a person's name, address, date of birth, Social Security or federal identification number or any other identifying number; information as to whether or not a return was filed or required to be filed; the nature, source, or amount of a person's income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liabilities, tax

payments, deficiencies, or over-assessments; and any other data, from any source, furnished to or prepared or collected by the Department of Taxes with respect to any person.

* * *

(e) The Commissioner may, in the Commissioner's discretion and subject to such conditions and requirements as the Commissioner may provide, including any confidentiality requirements of the Internal Revenue Service, disclose a return or return information:

* * *

(22) To the Agency of Natural Resources and the Department of Public Service, provided that the disclosure relates to the sales and use tax for aviation jet fuel and natural gas under chapter 233 of this title or to the fuel tax under 33 V.S.A. chapter 25 and is subject to any confidentiality requirements of the Internal Revenue Service and the disclosure exemption provisions of 1 V.S.A. § 317.

(23) To the Division of Vermont Emergency Management at the Department of Public Safety for the purposes of emergency management and communication, and to the Department of Housing and Community Development and any organization then under contract with the Department of Housing and Community Development to carry out a statewide housing needs assessment for the purpose of the statewide housing needs assessment, provided that the disclosure relates to the information collected on the landlord certificate pursuant to subsection 6069(c) of this title.

And that when so amended the bill ought to pass in concurrence with proposal of amendment.

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill as recommended by the Committees on Natural Resources and Energy and on Finance with the following proposals of amendment thereto:

First: In Sec. 15, Land Use Review Board positions; appropriation, by striking out subdivision (a)(1) in its entirety and inserting in lieu thereof a new subdivision (a)(1) to read as follows:

(1) one Staff Attorney; and

Second: In Sec. 15, Land Use Review Board positions; appropriation, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) In fiscal year 2025, \$56,250.00 is appropriated from the General Fund to the Natural Resources Board for the attorney position established in subdivision (a)(1) of this section.

Third: In Sec. 74, allocations; property transfer tax, by striking out subdivision (1) in its entirety and inserting in lieu thereof the following:

(1) \$5,113,510.00 shall be transferred from the General Fund into the Vermont Housing and Conservation Trust Fund.

Fourth: By striking out Sec. 87, appropriation; Vermont Rental Housing Improvement Program, in its entirety and inserting in lieu thereof a new Sec. 87 to read as follows:

Sec. 87. [Deleted.]

And that when so amended the bill ought to pass in concurrence with 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 Finance.

Thereupon, the pending question, Shall the recommendation of proposal of amendment of the Committee on Natural Resources and Energy, as amended, be further amended as recommended by the Committee on Appropriations?, was agreed to.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Natural Resources and Energy, as amended?, Senators Bray, Ram Hinsdale, Clarkson, McCormack, MacDonald, Watson and White moved to amend the proposal of amendment of the Committee on Natural Resources and Energy, as amended, as follows:

First: By striking out Secs. 1–71 and their reader assistance headings in their entireties and inserting in lieu thereof new Secs. 1–71 and new reader assistance headings to read as follows:

* * * Act 250 * * *

Sec. 1. 10 V.S.A. § 6000 is added to read:

§ 6000. PURPOSE; CONSTRUCTION

The purposes of this chapter are to protect and conserve the environment of the State and to support the achievement of the goals of the Capability and Development Plan, of 24 V.S.A. § 4302(c), and of the conservation vision and

goals for the State established in section 2802 of this title, while supporting equitable access to infrastructure, including housing.

Sec. 2. 10 V.S.A. § 6021 is amended to read:

§ 6021. BOARD; VACANCY;² REMOVAL

(a) ~~A Natural Resources Board~~ established. The Land Use Review Board is created.

(1) The Board shall consist of five members appointed by the Governor, after review and approval by the Land Use Review Board Nominating Committee in accordance with subdivision (2) of this subsection and confirmed with the advice and consent of the Senate, so that one appointment expires in each year. The Chair and the other four members shall be full-time positions. In making these appointments, the Governor and the Senate shall give consideration to candidates who have experience, expertise, or skills relating to the environment or land use one or more of the following areas: environmental science; land use law, policy, planning, and development; and community planning. All candidates shall have a commitment to environmental justice.

(A) The Governor shall appoint a chair of the Board, a position that shall be a full-time position. The Governor shall ensure Board membership reflects, to the extent possible, the racial, ethnic, gender, and geographic diversity of the State. The Board shall not contain two members who reside in the same county.

(B) Following initial appointments, the members, except for the Chair, shall be appointed for terms of four five years. All terms shall begin on July 1 and expire on June 30. A member may continue serving until a successor is appointed. The initial appointments shall be for staggered terms of one year, two years, three years, four years, and five years.

(2) ~~The Governor shall appoint up to five persons, with preference given to former Environmental Board, Land Use Review Board, or District Commission members, with the advice and consent of the Senate, to serve as alternates for Board members.~~

(A) ~~Alternates shall be appointed for terms of four years, with initial appointments being staggered~~ The Land Use Review Board Nominating Committee shall advertise the position when a vacancy will occur on the Land Use Review Board.

(B) ~~The Chair of the Board may assign alternates to sit on specific matters before the Board in situations where fewer than five members are available to serve~~ The Nominating Committee shall review the applicants to

determine which are well qualified for appointment to the Board and shall recommend those candidates to the Governor. The names of candidates shall be confidential.

(C) The Governor shall appoint, with the advice and consent of the Senate, a chair and four members of the Board from the list of well-qualified candidates sent to the Governor by the Committee.

(b) Any vacancy occurring in the membership of the Board shall be filled by the Governor for the unexpired portion of the term Terms; vacancy; succession. The term of each appointment subsequent to the initial appointments described in subsection (a) of this section shall be five years. Any appointment to fill a vacancy shall be for the unexpired portion of the term vacated. A member may seek reappointment by informing the Governor. If the Governor decides not to reappoint the member, the Nominating Committee shall advertise the vacancy.

(c) Removal. Notwithstanding the provisions of 3 V.S.A. § 2004, members shall only be removable for cause only, except the Chair, who shall serve at the pleasure of the Governor by the remaining members of the Board. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.

(d) Disqualified members. The Chair of the Board, upon request of the Chair of a District Commission, may appoint and assign former Commission members to sit on specific Commission cases when some or all of the regular members and alternates of the District Commission are disqualified or otherwise unable to serve. If necessary to achieve a quorum, the Chair of the Board may appoint a member of a District Commission who has not worked on the case to sit on a specific case before the Board.

(e) Retirement from office. When a Board member who hears all or a substantial part of a case retires from office before the case is completed, the member may remain a member of the Board, at the member's discretion, for the purpose of concluding and deciding that case and signing the findings and judgments involved. A retiring chair shall also remain a member for the purpose of certifying questions of law if a party appeals to the Supreme Court. For the service, the member shall receive a reasonable compensation to be fixed by the remaining members of the Board and necessary expenses while on official business.

Sec. 3. 10 V.S.A. § 6032 is added to read:

§ 6032. LAND USE REVIEW BOARD NOMINATING COMMITTEE

(a) Creation. The Land Use Review Board Nominating Committee is created for the purpose of assessing the qualifications of applicants for

appointment to the Land Use Review Board in accordance with section 6021 of this title.

(b) Members. The Committee shall consist of six members who shall be appointed by July 31, 2024 as follows:

(1) The Governor shall appoint two members from the Executive Branch, with at least one being an employee of the Department of Human Resources.

(2) The Speaker of the House of Representatives shall appoint two members from the House of Representatives.

(3) The Senate Committee on Committees shall appoint two members from the Senate.

(c) Terms. The members of the Committee shall serve for terms of two years. Members shall serve until their successors are appointed. Members shall serve not more than three consecutive terms. A legislative member who is appointed as a member of the Committee shall retain the position for the term appointed to the Committee even if the member is subsequently not reelected to the General Assembly during the member's term on the Committee.

(d) Chair. The members shall elect their own chair.

(e) Quorum. A quorum of the Committee shall consist of four members.

(f) Staff and services. The Committee is authorized to use the staff and services of appropriate State Agencies and Departments as necessary to conduct investigations of applicants.

(g) Confidentiality. Except as provided in subsection (h) of this section, proceedings of the Committee, including the names of candidates considered by the Committee and information about any candidate submitted to the Governor, shall be confidential. The provisions of 1 V.S.A. § 317(e) (expiration of Public Records Act exemptions) shall not apply to the exemptions or confidentiality provisions in this subsection.

(h) Public information. The following shall be public:

(1) operating procedures of the Committee;

(2) standard application forms and any other forms used by the Committee, provided they do not contain personal information about a candidate or confidential proceedings;

(3) all proceedings of the Committee prior to the receipt of the first candidate's completed application; and

(4) at the time the Committee sends the names of the candidates to the Governor, the total number of applicants for the vacancies and the total number of candidates sent to the Governor.

(i) Reimbursement. Legislative members of the Committee shall be entitled to per diem compensation and reimbursement for expenses in accordance with 32 V.S.A. § 1010. Compensation and reimbursement shall be paid from the legislative appropriation.

(j) Duties.

(1) When a vacancy occurs, the Committee shall review applicants to determine which are well qualified for the Board and submit those names to the Governor. The Committee shall submit to the Governor a summary of the qualifications and experience of each candidate whose name is submitted to the Governor together with any further information relevant to the matter.

(2) An applicant for the position of member of the Land Use Review Board shall not be required to be an attorney. If the candidate is admitted to practice law in Vermont or practices a profession requiring licensure, certification, or other professional regulation by the State, the Committee shall submit the candidate's name to the Court Administrator or the applicable State professional regulatory entity, and that entity shall disclose to the Committee any professional disciplinary action taken or pending concerning the candidate.

(3) Candidates shall be sought who have experience, expertise, or skills relating to one or more of the following areas: environmental science; land use law, policy, planning, and development; and community planning. All candidates shall have a commitment to environmental justice.

(4) The Committee shall ensure a candidate possesses the following attributes:

(A) Integrity. A candidate shall possess a record and reputation for excellent character and integrity.

(B) Impartiality. A candidate shall exhibit an ability to make determinations in a manner free of bias.

(C) Work ethic. A candidate shall demonstrate diligence.

(D) Availability. A candidate shall have adequate time to dedicate to the position.

(5) The Committee shall require candidates to disclose to the Committee their financial interests and potential conflicts of interest.

Sec. 4. 10 V.S.A. § 6025 is amended to read:

§ 6025. RULES

(a) The Board may adopt rules of procedure for itself and the District Commissions. The Board's procedure for approving regional plans and regional plan maps, which may be adopted as rules or issued as guidance, shall ensure that the maps are consistent with legislative intent as expressed in section 2802 of this title and 24 V.S.A. §§ 4302 and 4348a.

* * *

Sec. 5. 10 V.S.A. § 6027 is amended to read:

§ 6027. POWERS

(a) The Board and District Commissions ~~each~~ shall have supervisory authority in environmental matters respecting projects within their jurisdiction and shall apply their independent judgment in determining facts and interpreting law. ~~Each~~ shall have the power, with respect to any matter within its jurisdiction, to:

(1) administer oaths, take depositions, subpoena and compel the attendance of witnesses, and require the production of evidence;

(2) allow parties to enter upon lands of other parties for the purposes of inspecting and investigating conditions related to the matter before the Board or Commission;

(3) enter upon lands for the purpose of conducting inspections, investigations, examinations, tests, and site evaluations as it deems necessary to verify information presented in any matter within its jurisdiction; and

(4) apply for and receive grants from the federal government and from other sources.

(b) The powers granted under this chapter are additional to any other powers ~~which~~ that may be granted by other legislation.

(c) ~~The Natural Resources Board~~ may designate or establish ~~such~~ regional offices as it deems necessary to implement the provisions of this chapter and the rules adopted ~~hereunder~~. ~~The Natural Resources Board~~ may designate or require a regional planning commission to receive applications, provide administrative assistance, perform investigations, and make recommendations.

(d) At the request of a District Commission, if the Board Chair determines that the workload in the requesting district is likely to result in unreasonable delays or that the requesting District Commission is disqualified to hear a case,

the Chair may authorize the District Commission of another district to sit in the requesting district to consider one or more applications.

(e) The ~~Natural Resources~~ Board may by rule allow joint hearings to be conducted with specified State agencies or specified municipalities.

(f) The Board may publish online or contract to publish annotations and indices of the decisions of the Environmental Division and the text of those decisions. The published product shall be available at a reasonable rate to the general public and at a reduced rate to libraries and governmental bodies within the State.

(g) The ~~Natural Resources~~ Board shall manage the process by which land use permits are issued under section 6086 of this title, may initiate enforcement on related matters under the provisions of chapters 201 and 211 of this title, and may petition the Environmental Division for revocation of land use permits issued under this chapter. Grounds for revocation are:

(1) noncompliance with this chapter, rules adopted under this chapter, or an order that is issued that relates to this chapter;

(2) noncompliance with any permit or permit condition;

(3) failure to disclose all relevant and material facts in the application or during the permitting process;

(4) misrepresentation of any relevant and material fact at any time;

(5) failure to pay a penalty or other sums owed pursuant to, or other failure to comply with, court order, stipulation agreement, schedule of compliance, or other order issued under Vermont statutes and related to the permit; or

(6) failure to provide certification of construction costs, as required under subsection 6083a(a) of this title, or failure to pay supplemental fees as required under that section.

(h) The ~~Natural Resources~~ Board ~~may~~ shall hear appeals of decisions made by District Commissions and district coordinators, including fee refund requests under section 6083a of this title.

(i) The Chair, subject to the direction of the Board, shall have general charge of the offices and employees of the Board and the offices and employees of the District Commissions.

(j) The ~~Natural Resources~~ Board may participate as a party in all matters before the Environmental Division that relate to land use permits issued under this chapter.

(k) The Board shall review applications for Tier 1A areas and approve or disapprove based on whether the application demonstrates compliance with the requirements of section 6034 of this title. The Board shall produce guidelines for municipalities seeking to obtain the Tier 1A area status.

* * *

(n) The Board shall review for compliance regional plans and the future land use maps, including proposed Tier 1B areas, developed by the regional planning commissions pursuant to 24 V.S.A. § 4348a.

Sec. 6. 10 V.S.A. § 6022 is amended to read:

§ 6022. PERSONNEL

(a) Regular personnel. The Board may appoint legal counsel, scientists, engineers, experts, investigators, temporary employees, and administrative personnel as it finds necessary in carrying out its duties, unless the Governor shall otherwise provide in providing personnel to assist the District Commissions and in investigating matters within its jurisdiction.

(b) Executive Director. The Board shall appoint an Executive Director. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:

(1) supervising and administering the operation and implementation of this chapter and the rules adopted by the Board as directed by the Board;

(2) assisting the Board in its duties and administering the requirements of this chapter; and

(3) employing any staff as may be required to carry out the functions of the Board.

Sec. 7. 10 V.S.A. § 6084 is amended to read:

§ 6084. NOTICE OF APPLICATION; HEARINGS; COMMENCEMENT OF REVIEW

(a) ~~On or before the date of~~ Upon the filing of an application with the District Commission, the applicant District Commission shall send, by electronic means, notice and a copy of the initial application to the owner of the land if the applicant is not the owner; the municipality in which the land is located; the municipal and regional planning commissions for the municipality in which the land is located; the Vermont Agency of Natural Resources; and any adjacent Vermont municipality and municipal and regional planning commission if the land is located on a municipal or regional boundary. The applicant shall furnish to the District Commission the names of those furnished

~~notice by affidavit, and shall post~~ send by electronic means a copy of the notice ~~in~~ to the town clerk's office of the town or towns in which the project lies. The town clerk shall post the notice in the town office. The applicant shall also provide a list of adjoining landowners to the District Commission. Upon request and for good cause, the District Commission may authorize the applicant to provide a partial list of adjoining landowners in accordance with Board rules.

* * *

(e) Any notice for a major or minor application, as required by this section, shall also be published by the District Commission in a local newspaper generally circulating in the area where the development or subdivision is located and on the Board's website not more than ~~ten~~ 10 days after receipt of a complete application.

* * *

(f) The applicant shall post a sign provided by the District Commission on the subject property in a visible location 14 days prior to the hearing on the application and until the permit is issued or denied. The District Commission shall provide the sign that shall include a general description of the project, the date and place of the hearing, the identification number of the application and the internet address, and the contact information for the District Commission. The design of the signs shall be consistent throughout the State and prominently state "This Property has applied for an Act 250 Permit."

* * *

Sec. 8. 10 V.S.A. § 6086(h) is added to read:

(h) Compliance self-certification. The District Commission may require that a person who receives a permit under this chapter report on a regular schedule to the District Commission on whether or not the person has complied with and is in compliance with the conditions required in that permit. The report shall be made on a form provided by the Board and shall be notarized and contain a self-certification to the truth of statements.

Sec. 9. 10 V.S.A. § 6083a is amended to read:

§ 6083a. ACT 250 FEES

* * *

(i) Any municipality filing an application for a Tier 1A area status shall pay a fee of \$295.00.

(j) Any regional planning commission filing a regional plan or future land use map to be reviewed by the Board shall pay a fee of \$295.00.

* * * Transition; Revision authority * * *

Sec. 10. LAND USE REVIEW BOARD POSITIONS;
APPROPRIATION

(a) The following new positions are created at the Land Use Review Board for the purposes of carrying out this act:

(1) one Staff Attorney; and

(2) four full-time Land Use Review Board members.

(b) In fiscal year 2025, \$56,250.00 is appropriated from the General Fund to the Land Use Review Board for the attorney positions established in subdivision (a)(1) of this section.

Sec. 11. LAND USE REVIEW BOARD APPOINTMENTS; REVISION
AUTHORITY

(a) The Governor shall appoint the members of Land Use Review Board on or before July 1, 2025, and the terms of any Land Use Review Board member not appointed consistent with the requirements of 10 V.S.A. § 6021(a)(1)(A) or (B) shall expire on that day.

(b) As of July 1, 2025, all appropriations and employee positions of the Natural Resources Board are transferred to the Land Use Review Board.

(c) In preparing the Vermont Statutes Annotated for publication in 2025, the Office of Legislative Counsel shall replace all references to the “Natural Resources Board” with the “Land Use Review Board” in Title 3, Title 10, Title 24, Title 29, Title 30, and Title 32.

Sec. 11a. ACT 250 APPEALS STUDY

(a) On or before January 15, 2026, the Land Use Review Board shall issue a report evaluating whether to transfer appeals of permit decisions and jurisdictional opinions issued pursuant to 10 V.S.A. chapter 151 to the Land Use Review Board or whether they should remain at the Environmental Division of the Superior Court. The Board shall convene a stakeholder group that at a minimum shall be composed of a representative of environmental interests, attorneys that practice environmental and development law in Vermont, the Vermont League of Cities and Towns, the Vermont Association of Planning and Development Agencies, the Vermont Chamber of Commerce, the Land Access and Opportunity Board, the Office of Racial Equity, the Vermont Association of Realtors, a representative of non-profit housing development interests, a representative of for-profit housing development interests, a representative of commercial development interests, an engineer with experience in development, the Agency of Commerce and Community Development, and the Agency of Natural Resources in preparing the report.

The Board shall provide notice of the stakeholder meetings on its website and each meeting shall provide time for public comment.

(b) The report shall at minimum recommend:

(1) whether to allow consolidation of appeals at the Board, or with the Environmental Division of the Superior Court, and how, if transferred to the Board, appeals of permit decisions issued under 24 V.S.A. chapter 117 and the Agency of Natural Resources can be consolidated with Act 250 appeals;

(2) how to prioritize and expedite the adjudication of appeals related to housing projects, including the use of hearing officers to expedite appeals and the setting of timelines for processing of housing appeals;

(3) procedural rules to govern the Board's administration of Act 250 and the adjudication of appeals of Act 250 decisions. These rules shall include procedures to create a firewall and eliminate any potential for conflicts with the Board managing appeals and issuing permit decisions and jurisdictional opinions; and

(4) other actions the Board should take to promote the efficient and effective adjudication of appeals, including any procedural improvements to the Act 250 permitting process and jurisdictional opinion appeals.

(c) The report shall be submitted to the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy and the House Committee on Environment and Energy.

* * * Forest Blocks * * *

Sec. 12. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(47) “Habitat connector” means land or water, or both, that links patches of habitat within a landscape, allowing the movement, migration, and dispersal of wildlife and plants and the functioning of ecological processes. A habitat connector may include features including recreational trails and improvements constructed for farming, logging, or forestry purposes.

(48) “Forest block” means a contiguous area of forest in any stage of succession and not currently developed for nonforest use. A forest block may include features including recreational trails, wetlands, or other natural features that do not themselves possess tree cover and improvements constructed for farming, logging, or forestry purposes.

(49) “Habitat” means the physical and biological environment in which a particular species of plant or wildlife lives.

Sec. 13. 10 V.S.A. § 6086(a)(8) is amended to read:

(8) Ecosystem protection; scenic beauty; historic sites.

(A) Scenic beauty, historic sites, and rare and irreplaceable natural areas. Will not have an undue adverse effect on the scenic or natural beauty of the area, aesthetics, historic sites, or rare and irreplaceable natural areas.

(A)(B) Necessary wildlife habitat and endangered species. A permit will not be granted if it is demonstrated by any party opposing the applicant that a development or subdivision will destroy or significantly imperil necessary wildlife habitat or any endangered species; ~~and~~:

(i) the economic, social, cultural, recreational, or other benefit to the public from the development or subdivision will not outweigh the economic, environmental, or recreational loss to the public from the destruction or imperilment of the habitat or species; ~~or~~

(ii) all feasible and reasonable means of preventing or lessening the destruction, diminution, or imperilment of the habitat or species have not been or will not continue to be applied; or

(iii) a reasonably acceptable alternative site is owned or controlled by the applicant which would allow the development or subdivision to fulfill its intended purpose.

(C) Forest blocks and habitat connectors. A permit will not be granted for a development or subdivision within or partially within a forest block or habitat connector unless the applicant demonstrates that a project will not result in an undue adverse impact on the forest block or habitat connector. If a project as proposed would result in an undue adverse impact, a permit may only be granted if effects are avoided, minimized, or mitigated as allowed in accordance with rules adopted by the Board.

Sec. 14. CRITERION 8(C) RULEMAKING

(a) The Land Use Review Board (Board), in collaboration with the Agency of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6086(a)(8)(C). It is the intent of the General Assembly that these rules discourage fragmentation of the forest blocks and habitat connectors by encouraging clustering of development. Rules adopted by the Board shall include:

(1) How forest blocks and habitat connectors are further defined, including their size, location, and function, which may include:

(A) information that will be available to the public to determine where forest blocks and habitat connectors are located; or

(B) advisory mapping resources, how they will be made available, how they will be used, and how they will be updated.

(2) Standards establishing how impacts can be avoided or minimized, including how fragmentation of forest blocks or habitat connectors is avoided or minimized, which may include steps to promote proactive site design of buildings, roadways and driveways, utility location, and location relative to existing features such as roads, tree lines, and fence lines.

(3)(A) As used in this section, “fragmentation” generally means dividing land that has naturally occurring vegetation and ecological processes into smaller areas as a result of land uses that remove vegetation and create physical barriers that limit species’ movement and interrupt ecological processes between previously connected natural vegetation. However, the rules shall further define “fragmentation” for purposes of avoiding, minimizing, and mitigating undue adverse impacts on forest blocks and habitat connectors. “Fragmentation” does not include the division or conversion of a forest block or habitat connector by an unpaved recreational trail or by improvements constructed for farming, logging, or forestry purposes below the elevation of 2,500 feet.

(B) As used in this subsection (a), “recreational trail” has the same meaning as “trails” in 10 V.S.A. § 442.

(4) Criteria to identify the circumstances when a forest block or habitat connector is eligible for mitigation. As part of this, the criteria shall identify the circumstances when the function, value, unique sensitivity, or location of the forest block or habitat connector would not allow mitigation.

(5) Standards for how impacts to a forest block or habitat connector may be mitigated. Standards may include:

(A) appropriate ratios for compensation;

(B) appropriate forms of compensation such as conservation easements, fee interests in land, and other forms of compensation; and

(C) appropriate uses of on-site and off-site mitigation.

(b) The Board shall convene a working group of stakeholders to provide input to the rule prior to prefilings with the Interagency Committee on Administrative Rules. The Board shall convene the working group on or before July 1, 2025.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before June 15, 2026.

Sec. 15. 10 V.S.A. § 127 is amended to read:

§ 127. RESOURCE MAPPING

(a) ~~On or before January 15, 2013, the~~ The Secretary of Natural Resources shall complete and maintain resource mapping based on the Geographic Information System (GIS) or other technology. The mapping shall identify natural resources throughout the State, including forest blocks and habitat connectors, that may be relevant to the consideration of energy projects and projects subject to chapter 151 of this title. The Center for Geographic Information shall be available to provide assistance to the Secretary in carrying out the ~~GIS-based~~ resource mapping.

(b) ~~The Secretary of Natural Resources~~ shall consider the ~~GIS-based~~ resource maps developed under subsection (a) of this section when providing evidence and recommendations to the Public Utility Commission under 30 V.S.A. § 248(b)(5) and when commenting on or providing recommendations under chapter 151 of this title to District Commissions on other projects.

(c) The Secretary shall establish and maintain written procedures that include a process and science-based criteria for updating resource maps developed under subsection (a) of this section. Before establishing or revising these procedures, the Secretary shall provide opportunities for affected parties and the public to submit relevant information and recommendations.

* * * Wood Products Manufacturers * * *

Sec. 16. 10 V.S.A. § 6093 is amended to read:

§ 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

(a) Mitigation for loss of primary agricultural soils. Suitable mitigation for the conversion of primary agricultural soils necessary to satisfy subdivision 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.

* * *

(5) Wood products manufacturers. Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils by a wood products manufacturing facility shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection,

except that it shall be entitled to a ratio of 1:1 protected acres to acres of affected primary agricultural soil.

* * *

* * * Accessory on-farm businesses * * *

Sec. 17. 24 V.S.A. § 4412(11) is amended to read:

(11) Accessory on-farm businesses. No bylaw shall have the effect of prohibiting an accessory on-farm business at the same location as a farm.

(A) Definitions. As used in this subdivision (11):

(i) “Accessory on-farm business” means activity ~~that is accessory to~~ on a farm, the revenues of which may exceed the revenues of the farming operation, and comprises one or both of the following:

(I) ~~The storage, preparation, processing, and sale of qualifying products, provided that more than 50 percent of the total annual sales are from the qualifying products that are produced on the a farm at which the business is located;~~ the sale of products that name, describe, or promote the farm or accessory on-farm business, including merchandise or apparel that features the farm or accessory on-farm business; or the sale of bread or baked goods.

* * *

(iv) “Qualifying product” means a product that is ~~wholly~~:

(I) an agricultural, horticultural, viticultural, or dairy commodity, or maple syrup;

(II) livestock or cultured fish or a product thereof;

(III) a product of poultry, bees, an orchard, or fiber crops;

(IV) a commodity otherwise grown or raised on a farm; or

(V) a product manufactured on one or more farms from commodities wholly grown or raised on one or more farms.

* * *

Sec. 18. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

* * *

(t) No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the storage or sale of qualifying products or the other eligible enumerated products as defined in 24 V.S.A. § 4412(11)(A)(i)(I). No permit or permit amendment is required for

the construction of improvements for an accessory on-farm business for the preparation or processing of qualifying products as defined in 24 V.S.A. § 4412(11)(A)(i)(I), provided that more than 50 percent of the total annual sales of the prepared or processed qualifying products come from products produced on the farm where the business is located. This subsection shall not apply to the construction of improvements related to hosting events or farm stays as part of an accessory on-farm business as defined in 24 V.S.A. § 4412(11)(A)(i)(II).

* * *

* * * Road Rule * * *

Sec. 19. 10 V.S.A. § 6001(3)(A)(xii) is added to read:

(xii) The construction of a road or roads and any associated driveways to provide access to or within a tract of land owned or controlled by a person. For the purposes of determining jurisdiction under this subdivision, any new development or subdivision on a parcel of land that will be provided access by the road and associated driveways is land involved in the construction of the road.

(I) Jurisdiction under this subdivision shall not apply unless the length of any single road is greater than 800 feet, or the length of all roads and any associated driveways in combination is greater than 2,000 feet.

(II) As used in this subdivision (xii), “roads” include any new road or improvement to a class 4 town highway by a person other than a municipality, including roads that will be transferred to or maintained by a municipality after their construction or improvement.

(III) For the purpose of determining the length of any road and associated driveways, the length of all other roads and driveways within the tract of land constructed after July 1, 2026 shall be included.

(IV) This subdivision (xii) shall not apply to:

(aa) a State or municipal road, a utility corridor of an electric transmission or distribution company, or a road used primarily for farming or forestry purposes; and

(bb) development within a Tier 1A area established in accordance with section 6034 of this title or a Tier 1B area established in accordance with section 6033 of this title

(V) The conversion of a road used for farming or forestry purposes that also meets the requirements of this subdivision (xii) shall constitute development.

(VI) The intent of this subdivision (xii) is to encourage the design of clustered subdivisions and development that does not fragment Tier 2 areas or Tier 3 areas.

Sec. 20. RULEMAKING; ROAD CONSTRUCTION

The Natural Resources Board may adopt rules after consulting with stakeholders, providing additional specificity to the necessary elements of 10 V.S.A. § 6001(3)(A)(xii). It is the intent of the General Assembly that any rules encourage the design of clustered subdivisions and development that does not fragment Tier 2 areas or Tier 3 areas.

* * * Location-Based Jurisdiction * * *

Sec. 21. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(3)(A) “Development” means each of the following:

(i) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than 10 acres of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has adopted permanent zoning and subdivision bylaws.

(ii) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has not adopted permanent zoning and subdivision bylaws.

(iii) The construction of improvements for commercial or industrial purposes on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a municipality that has adopted permanent zoning and subdivision bylaws, if the municipality in which the proposed project is located has elected by ordinance, adopted under 24 V.S.A. chapter 59, to have this jurisdiction apply.

(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:

* * *

(vi) The construction of improvements for commercial, industrial, or residential use at or above the elevation of 2,500 feet.

* * *

(xiii) The construction of improvements for commercial, industrial, or residential purposes in a Tier 3 area as determined by rules adopted by the Board.

* * *

(45) “Tier 2” means an area that is not a Tier 1 area or a Tier 3 area.

(46) “Tier 3” means an area consisting of critical natural resources defined by the rules of the Board. The Board’s rules shall at a minimum determine whether and how to protect river corridors, headwater streams, habitat connectors of statewide significance, riparian areas, class A waters, natural communities, and other critical natural resources.

Sec. 22. TIER 3 RULEMAKING

(a) The Natural Resources Board, in consultation with the Secretary of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6001(3)(A)(xiii) and 10 V.S.A. § 6001(46). It is the intent of the General Assembly that these rules identify critical natural resources for protection. The Board shall review the definition of Tier 3 area; determine the critical natural resources that shall be included in Tier 3, giving due consideration to river corridors, headwater streams, habitat connectors of statewide significance, riparian areas, class A waters, natural communities; recommend any additional critical natural resources that should be added to the definition; and how to define the boundaries. Rules adopted by the Board shall include:

(1) any necessary clarifications to how the Tier 3 definition is used in 10 V.S.A. chapter 151;

(2) any necessary changes to how 10 V.S.A. § 6001(3)(A)(xiii) should be administered, and when jurisdiction should be triggered to protect the functions and values of resources of critical natural resources;

(3) the process for how Tier 3 areas will be mapped or identified by the Agency of Natural Resources and the Board; and

(4) other policies or programs that shall be developed to review development impacts to Tier 3 areas if they are not included in 10 V.S.A. § 6001(46).

(b) On or before January 1, 2025, the Board shall convene a working group of stakeholders to provide input to the rule prior to prefiling with the Interagency Committee on Administrative Rules. The working group shall include representation from regional planning commissions; environmental groups; science and ecological research organizations; woodland or forestry organizations; the Vermont Housing and Conservation Board; the Vermont Chamber of Commerce; the League of Cities of Towns; the Land Access and Opportunity Board; the State Natural Resources Conservation Council; and other stakeholders, such as the Vermont Ski Areas Association, the Department of Taxes, Division of Property Valuation and Review, the Department of Forests, Parks and Recreation, the Department of Environmental Conservation, the Department of Fish and Wildlife, the Vermont Woodlands Association, and the Professional Logging Contractors of the Northeast.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before February 1, 2026.

(d) During the rule development, the stakeholder group established under subsection (b) of this section shall solicit participation from representatives of municipalities and landowners that host Tier 3 critical resource areas on their properties to determine the responsibilities and education needed to understand, manage, and interact with the resources.

* * * Tier 1 Areas * * *

Sec. 23. 10 V.S.A. § 6001(3)(A)(xi) is amended to read:

~~(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. [Repealed.]~~

Sec. 24. 10 V.S.A. § 6001(3)(D)(viii)(III) is amended to read:

(III) Notwithstanding any other provision of law to the contrary, until July 1, ~~2026~~ 2027, the construction of a priority housing project located entirely within a designated downtown development district, designated neighborhood development area, or a designated growth center or within one-

half mile around such designated center. For purposes of this subdivision (III), in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-half mile of the designated center boundary. If the one-half mile around the designated center extends into an adjacent municipality, the legislative body of the adjacent municipal may inform the Board that it does not want the exemption to extend into that area.

Sec. 25. REPEALS

(a) 2023 Acts and Resolves No. 47, Sec. 16a is repealed.

(b) 2023 Acts and Resolves No. 47, Sec. 19c is repealed.

Sec. 26. 10 V.S.A. § 6081(y) is amended to read:

(y) No Until December 31, 2030, 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. 27. 10 V.S.A. § 6033 is added to read:

§ 6033. REGIONAL PLAN FUTURE LAND USE MAP REVIEW

(a) The Board shall review requests from regional planning commissions to approve or disapprove portions of future land use maps for the purposes of changing jurisdictional thresholds under this chapter by identifying areas on future land use maps for Tier 1B area status and to approve designations pursuant to 24 V.S.A. chapter 139. The Board may produce guidelines for regional planning commissions seeking Tier 1B area status. If requested by the regional planning commission, the Board shall complete this review concurrently with regional plan approval. A request for Tier 1B area status made by a regional planning commission separate from regional plan approval shall follow the process set forth in 24 V.S.A. § 4348.

(b) The Board shall review the portions of future land use maps that include downtowns or village centers, planned growth areas, and village areas to ensure they meet the requirements under 24 V.S.A. §§ 5803 and 5804 for designation as downtown and village centers and neighborhood areas.

(c) To obtain a Tier 1B area status under this section, the regional planning commission shall demonstrate to the Board that the municipalities with Tier 1B areas meet the requirements for village areas included in 24 V.S.A.

§ 4348a(a)(12)(C). A municipality may have multiple noncontiguous areas receive Tier 1B area status.

(d) A municipality that is eligible for Tier 1B status may formally request of the Board that they be excluded from Tier 1B area status if the municipality has elected by ordinance adopted under 24 V.S.A. chapter 59. If a municipality seeks to be excluded from Tier 1B, it shall lose any center or neighborhood designations and be ineligible for future designation until it seeks Tier 1B status.

Sec. 28. 10 V.S.A. § 6034 is added to read:

§ 6034. TIER 1A AREA STATUS

(a) Application and approval.

(1) Beginning on January 1, 2026, a municipality, by resolution of its legislative body, may apply to the Land Use Review Board for Tier 1A status for the area of the municipality that is suitable for dense development and meets the requirements of subsection (b) of this section. A municipality may apply for multiple noncontiguous areas to be receive Tier 1A area status. Applications may be submitted at different times.

(2) The Board shall issue an affirmative determination on finding that the municipality meets the requirements of subsection (b) of this section within 45 days after the application is received.

(b) Tier 1A area status requirements.

(1) To obtain a Tier 1A area status under this section, a municipality shall demonstrate to the Board that:

(A) The boundaries are consistent with downtown or village centers and planned growth areas as defined 24 V.S.A. § 4348a(a)(12) in an approved regional plan future land use map with any minor amendments.

(B) The municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with or stronger than the standards established pursuant to subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor) or the proposed Tier 1A area excludes the flood hazard areas and river corridor.

(C) The municipality has adopted permanent zoning and subdivision bylaws that do not include broad exemptions that exclude significant private or public land development from requiring a municipal land use permit.

(D) The municipality has permanent land development regulations for the Tier 1A area that further the smart growth principles of 24 V.S.A. chapters 76A, adequately regulate the physical form and scale of development,

provide reasonable provision for a portion of the areas with sewer and water to allow at least four stories, and conform to the guidelines established by the Board.

(E) The Tier 1A area is compatible with the character of adjacent National Register Historic Districts, National or State Register Historic Sites, and other significant cultural and natural resources identified by local or State government.

(F) To the extent that they are not covered under State permits, the municipality has identified and planned for the maintenance of significant natural communities, rare, threatened, and endangered species located in the Tier 1A area or excluded those areas from the Tier 1A area.

(G) Public water and wastewater systems or planned improvements have the capacity to support additional development within the Tier 1A area.

(2) If any party entitled to notice under subdivision (c)(3)(A) of this section or any resident of the municipality raises concerns about the municipality's compliance with the requirements, those concerns shall be addressed as part of the municipality's application.

(c) Process for issuing determinations of Tier 1A area status.

(1) A preapplication meeting shall be held with the Board staff, municipal staff, and staff of the relevant regional planning commission (RPC) to review the requirements of subsection (b) of this section. The meeting shall be held in person or electronically.

(2) An application by the municipality shall include the information and analysis required by the Board's guidelines on how to meet the requirements of subsection (b) of this section.

(3) After receipt of a complete final application, the Land Use Review Board shall convene a public hearing in the municipality to consider whether to issue a determination of Tier 1A area status under this section.

(A) Notice.

(i) At least 35 days in advance of the Board's meeting, the regional planning commission shall post notice of the meeting on its website.

(ii) The municipality shall publish notice of the meeting 30 days and 15 days in advance of the Board's meeting in a newspaper of general circulation in the municipality, and deliver physically or electronically, with proof of receipt or by certified mail, return receipt requested to the Agency of Natural Resources; the Division for Historic Preservation; the Agency of Agriculture, Food and Markets; the Agency of Transportation; the regional

planning commission; the regional development corporations; and the entities providing educational, police, and fire services to the municipality.

(iii) The notice shall also be posted by the municipality in or near the municipal clerk's office and in at least two other designated public places in the municipality, on the websites of the municipality and the regional planning commission, and on any relevant e-mail lists or social media that the municipality uses.

(iv) The municipality shall also certify in writing that the notice required by this subsection (c) has been published, delivered, and posted within the specified time.

(v) Notice of an application for Tier 1A area status shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:

(I) the chair of the legislative body of each adjoining municipality;

(II) the executive director of each abutting regional planning commission;

(III) the Department of Housing and Community Development and the Community Investment Board for a formal review and comment; and

(IV) business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned.

(B) No defect in the form or substance of any requirements of this subsection (c) shall invalidate the action of the Board where reasonable efforts are made to provide adequate posting and notice. However, the action shall be invalid when the defective posting or notice was materially misleading in content. If an action is ruled to be invalid by the Superior Court or by the Board itself, the municipality shall issue new posting and notice, and the Board shall hold a new hearing and take a new action.

(4) The Board may recess the proceedings on any application pending submission of additional information. The Board shall close the proceedings promptly after all parties have submitted the requested information.

(5) The Board shall issue its determination in writing. The determination shall include explicit findings on each of the requirements in subsection (b) of this section.

(d) Review of status.

(1) Initial determination of status may be made at any time. Thereafter, review of a status shall occur every eight years with a check-in after four years.

(2) The Board, on its motion, may review compliance with the Tier 1A area requirements at more frequent intervals.

(3) If at any time the Board determines that the Tier 1A area no longer meets the standards for the status, it shall take one of the following actions:

(A) require corrective action within a reasonable time frame; or

(B) terminate the status.

Sec. 29. TIER 1A AREA GUIDELINES

On or before January 1, 2026, the Land Use Review Board shall publish guidelines to direct municipalities seeking to obtain the Tier 1A area status.

Sec. 30. 24 V.S.A. § 4382 is amended to read:

§ 4382. THE PLAN FOR A MUNICIPALITY

(a) A plan for a municipality 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:

* * *

(2) A land use plan, which shall consist of a map and statement of present and prospective land uses, that:

* * *

(C) Identifies those areas, if any, proposed for designation under chapter 76A of this title and for status under 10 V.S.A. §§ 6033 and 6034, together with, for each area proposed for designation, an explanation of how the designation would further the plan's goals and the goals of section 4302 of this title, and how the area meets the requirements for the type of designation to be sought.

* * *

Sec. 31. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

* * *

(z)(1) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required for any subdivision, development,

or change to an existing project that is located entirely within a Tier 1A area under section 6034 of this chapter.

(2) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required within a Tier 1B area approved by the Board under section 6033 of this chapter for 50 units or fewer of housing on a tract or tracts of land involving 10 acres or less or for mixed-use development with 50 units or fewer of housing on a tract or tracts of land involving 10 acres or less.

(3) Upon receiving notice and a copy of the permit issued by an appropriate municipal panel pursuant to 24 V.S.A. § 4460(g), a previously issued permit for a development or subdivision located in a Tier 1A area shall remain attached to the property. However, neither the Board nor the Agency of Natural Resources shall enforce the permit or assert amendment jurisdiction on the tract or tracts of land unless the designation is revoked or the municipality has not taken any reasonable action to enforce the conditions of the permit.

(aa) No permit amendment is required for the construction of improvements for a hotel or motel converted to permanently affordable housing developments as defined in 24 V.S.A. § 4303(2).

(bb) Until July 1, 2028, no permit or permit amendment is required for the construction of improvements for one accessory dwelling unit constructed within or appurtenant to a single-family dwelling. Units constructed pursuant to this subsection shall not count towards the total units constructed in other projects.

(cc) Until July 1, 2028, no permit amendment is required for the construction of improvements for converting a structure used for a commercial purpose to 29 or fewer housing units.

(dd) Interim housing exemptions.

(1) Notwithstanding any other provision of law to the contrary, until July 1, 2028, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 75 or units fewer, constructed or maintained on a tract or tracts of land, located entirely within a designated new town center, a designated growth center, or a designated neighborhood development area. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains.

(2)(A) Notwithstanding any other provision of law to the contrary, until July 1, 2028, no permit or permit amendment is required for the construction

of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 50 or fewer units, constructed or maintained on a tract or tracts of land of 10 acres or less, located entirely within:

(i) a designated village center with permanent zoning and subdivision bylaws or within one-quarter mile of its boundary; or

(ii) areas of a municipality that are within a census-designated urbanized area with over 50,000 residents and within one-quarter mile of a transit route.

(B) Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains. For purposes of this subdivision (B), in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-quarter mile of the designated village center boundary or the center line of the transit route. If the one-quarter mile extends into an adjacent municipality, the legislative body of the adjacent municipal may inform the Board that it does not want the exemption to extend into that area.

(3) Notwithstanding any other provision of law to the contrary, until July 1, 2028, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains.

Sec. 32. 10 V.S.A. § 6001(50) and (51) are added to read :

(50) “Accessory dwelling unit” means a distinct unit that is clearly subordinate to a single-family dwelling, located on an owner-occupied lot and has facilities and provisions for independent living, including sleeping, food preparation and sanitation, provided there is compliance with all of the following:

(A) the unit does not exceed 30 percent of the habitable floor area of the single-family dwelling or 900 square feet, whichever is greater; and

(B) the unit is located within or appurtenant to a single-family dwelling, whether the dwelling is existing or new construction.

(51) “Transit route” means a set route or network of routes on which a public transit service as defined in 24 V.S.A. § 5088 operates a regular schedule.

Sec. 33. 24 V.S.A. § 4460 is amended to read:

§ 4460. APPROPRIATE MUNICIPAL PANELS

* * *

(g)(1) This subsection shall apply to a subdivision or development that:

(A) was previously permitted pursuant to 10 V.S.A. chapter 151;

(B) is located in a Tier 1A area pursuant to 10 V.S.A. § 6034; and

(C) has applied for a permit or permit amendment required by zoning regulations or bylaws adopted pursuant to this subchapter.

(2) The appropriate municipal panel reviewing a municipal permit or permit amendment pursuant to this subsection shall include conditions contained within a permit previously issued pursuant to 10 V.S.A. chapter 151 unless the panel determines that the permit condition pertains to any of the following:

(A) the construction phase of the project that has already been constructed;

(B) compliance with another State permit that has independent jurisdiction;

(C) federal or State law that is no longer in effect or applicable;

(D) an issue that is addressed by municipal regulation and the project will meet the municipal standards; or

(E) a physical or use condition that is no longer in effect or applicable or that will no longer be in effect or applicable once the new project is approved.

(3) After issuing or amending a permit containing conditions pursuant to this subsection, the appropriate municipal panel shall provide notice and a copy of the permit to the Land Use Review Board.

(4) The appropriate municipal panel shall comply with the notice and hearing requirements provided in subdivision 4464(a)(1) of this title. In addition, notice shall be provided to those persons requiring notice under 10 V.S.A. § 6084(b) and shall explicitly reference the existing Act 250 permit.

(5) The appropriate municipal panel's decision shall be issued in accordance with subsection 4464(b) of this title and shall include specific findings with respect to its determinations pursuant to subdivision (2) of this subsection.

(6) Any final action by the appropriate municipal panel affecting a condition of a permit previously issued pursuant to 10 V.S.A. chapter 151 shall be recorded in the municipal land records.

(h) Within a Tier 1A area, the appropriate municipal panel shall enforce any existing permits issued under 10 V.S.A. chapter 151 that has not had its permit conditions transferred to a municipal permit pursuant to subsection (g) of this section.

Sec. 34. TIER 2 AREA REPORT

(a) On or before February 15, 2026, the Land Use Review Board shall report recommendations to address Act 250 jurisdiction in Tier 2 areas. The recommendations shall:

(1) recommend statutory changes to address fragmentation of rural and working lands while allowing for development;

(2) address how to apply location-based jurisdiction to Tier 2 areas while meeting the statewide planning goals, including how to address commercial development and which shall also include:

(A) review of the effectiveness of mitigation of impacts on primary agricultural soils and making recommendations for how to improve protections for this natural resource;

(B) review of the effectiveness of jurisdictional triggers for development of retail and service businesses outside village centers, and criterion 9(L), in addressing sprawl and strip development, and how to improve the effectiveness of criterion 9(L); and

(C) review of whether and how Act 250 jurisdiction over commercial activities on farms should be revised, including accessory on-farm businesses.

(b) The report shall be submitted to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and Energy and the Senate Committees on Agriculture and on Natural Resources and Energy.

Sec. 35. WOOD PRODUCTS MANUFACTURERS REPORT

(a) The Land Use Review Board, in consultation with the Department of Forests, Parks and Recreation, shall convene a stakeholder group to report on how to address the Act 250 permitting process to better support wood products manufacturers and their role in the forest economy.

(b) The group shall examine the Act 250 permitting process and identify how the minor permit process provided for in 10 V.S.A. § 6084(g) has been working and whether there are shortcomings or challenges.

(c) The group may look at permitting holistically to understand the role of permits from the Agency of Natural Resources, municipal permits, where they apply, and Act 250 permits and develop recommendations to find efficiencies in the entire process or recommend an alternative permitting process for wood products manufacturers.

(d) On or before December 15, 2024, the Land Use Review Board shall submit the report to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and Energy and the Senate Committee on Natural Resources and Energy.

Sec. 36. LOCATION-BASED JURISDICTION REVIEW

On or before February 1, 2029, the Land Use Review Board shall review and report on the new Tier jurisdiction framework used to establish location-based jurisdiction for 10 V.S.A. chapter 151. The Board shall report on the outcomes and outline successes and any changes that are needed. The Board shall undertake an in-depth review of the Act 250 updates, including the duties and responsibilities of all the staff and the Board itself, specifically whether the updates have reduced appeals and whether the updates have created more equity and cohesion amongst the District Commissions and district coordinators.

Sec. 37. AFFORDABLE HOUSING DEVELOPMENT REGULATORY INCENTIVES STUDY

(a) The Department of Housing and Community Development, the Vermont Housing and Conservation Board, the Land Access and Opportunity Board, and the Vermont Housing Finance Agency shall:

(1) engage with diverse stakeholders, including housing developers, local government officials, housing advocacy organizations, financial institutions, and community members to identify regulatory policies that incentivize mixed-income, mixed-use development and support affordable housing production as a percentage of new housing units in communities throughout the State, including examining the impact of inclusionary zoning; and

(2) develop recommendations for legislative, regulatory, and administrative actions to improve and expand affordable housing development incentives within State designated areas.

(b) On or before December 15, 2024, the Department of Housing and Community Development shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy and the House Committees on General and Housing and on Environment and Energy with its findings and recommendations.

Sec. 38. [Deleted.]

* * * Environmental Justice * * *

Sec. 39. 3 V.S.A. § 6004 is amended to read:

§ 6004. IMPLEMENTATION OF STATE POLICY

* * *

(c) Each of the covered agencies shall create and adopt on or before July 1, ~~2025~~ 2027 a community engagement plan that describes how the agency will engage with environmental justice focus populations as it evaluates new and existing activities and programs. Community engagement plans shall align with the core principles developed by the Interagency Environmental Justice Committee pursuant to subdivision 6006(c)(2)(B) of this title and take into consideration the recommendations of the Environmental Justice Advisory Council pursuant to subdivision 6006(c)(1)(B) of this title. Each plan shall describe how the agency plans to provide meaningful participation in compliance with Title VI of the Civil Rights Act of 1964.

(d) The covered agencies shall submit an annual summary beginning on ~~January~~ March 15, 2024 and annually thereafter to the Environmental Justice Advisory Council, detailing all complaints alleging environmental justice issues or Title VI violations and any agency action taken to resolve the complaints. The Advisory Council shall provide any recommendations concerning those reports within 60 days after receipt of the complaint summaries. Agencies shall consider the recommendations of the Advisory Council pursuant to subdivision 6006(c)(1)(E) of this title and substantively respond in writing if an agency chooses not to implement any of the recommendations, within 90 days after receipt of the recommendations.

* * *

(f) The Agency of Natural Resources, in consultation with the Interagency Environmental Justice Committee and the Environmental Justice Advisory Council, shall issue guidance on how the covered agencies shall determine which investments provide environmental benefits to environmental justice focus populations on or before September 15, ~~2023~~ 2025. A draft version of the guidance shall be released for a 40-day public comment period before being finalized.

(g)(1) On or before February 15, ~~2024~~ 2026, the covered agencies shall, in accordance with the guidance document developed by the Agency of Natural Resources pursuant to subsection (f) of this section, review the past three years and generate baseline spending reports that include:

* * *

(h) On or before July 1, ~~2024~~ 2026, it shall be the goal of the covered agencies to direct investments proportionately in environmental justice focus populations.

(i)(1) Beginning on January 15, ~~2026~~ 2028, and annually thereafter, the covered agencies shall either integrate the following information into existing annual spending reports or issue annual spending reports that include:

* * *

(j) Beginning on January 15, ~~2025~~ 2027, the covered agencies shall each issue and publicly post an annual report summarizing all actions taken to incorporate environmental justice into its policies or determinations, rulemaking, permit proceedings, or project review.

Sec. 40. 3 V.S.A. § 6005 is amended to read:

§ 6005. RULEMAKING

(a) On or before July 1, ~~2025~~ 2027, the Agency of Natural Resources, in consultation with the Environmental Justice Advisory Council and the Interagency Environmental Justice Committee, shall adopt rules to:

* * *

(b) On or before July 1, ~~2026~~ 2028 and as appropriate thereafter, the covered agencies, in consultation with the Environmental Justice Advisory Council, shall adopt or amend policies and procedures, plans, guidance, and rules, where applicable, to implement this chapter.

* * *

Sec. 41. 3 V.S.A. § 6006 is amended to read:

§ 6006. ENVIRONMENTAL JUSTICE ADVISORY COUNCIL AND
INTERAGENCY ENVIRONMENTAL JUSTICE COMMITTEE

* * *

(b) Meetings. The Advisory Council and Interagency Committee shall each meet not more than ~~eight~~ 12 times per year, with at least four meetings occurring jointly. Meetings may be held in person, remotely, or in a hybrid format to facilitate maximum participation and shall be recorded and publicly posted on the Secretary's website.

(c) Duties.

* * *

(2) The Interagency Committee shall:

(A) consult with the Agency of Natural Resources in the development of the guidance document required by subsection 6004(g) of this title on how to determine which investments provide environmental benefits to environmental justice focus populations; and

(B) on or before July 1, ~~2023~~ 2025, develop, in consultation with the Agency of Natural Resources and the Environmental Justice Advisory Council, a set of core principles to guide and coordinate the development of the State agency community engagement plans required under subsection 6004(d) of this title.

(3) The Advisory Council and the Interagency Committee shall jointly:

(A) consider and recommend to the General Assembly, on or before December 1, ~~2023~~ 2025, amendments to the terminology, thresholds, and criteria of the definition of environmental justice focus populations, including whether to include populations more likely to be at higher risk for poor health outcomes in response to environmental burdens; and

* * *

Sec. 42. 3 V.S.A. § 6007 is amended to read:

§ 6007. ENVIRONMENTAL JUSTICE MAPPING TOOL

* * *

(c) On or before January 1, ~~2025~~ 2027, the mapping tool shall be available for use by the public as well as by the State government.

Sec. 43. 2022 Acts and Resolves No. 154, Sec. 3 is amended to read:

Sec. 3. SPENDING REPORT

On or before December 15, ~~2025~~ 2027, the Agency of Natural Resources shall submit a report to the General Assembly describing whether the baseline spending reports completed pursuant to 3 V.S.A. § 6004(g) of this section indicate if any municipalities or portions of municipalities are routinely underserved with respect to environmental benefits, taking into consideration whether those areas receive, averaged across three years, a significantly lower percentage of environmental benefits from State investments as compared to other municipalities or portions of municipalities in the State. This report shall include a recommendation as to whether a statutory definition of “underserved community” and any other revisions to this chapter are necessary to best carry out the Environmental Justice State Policy.

* * * Amicus briefs * * *

Sec. 44. 10 V.S.A. § 8504(q) is added to read:

(q) Amicus curiae. Notwithstanding the hearing of an appeal as de novo, any judge presiding over appeals from chapter 151 of this title and Agency permits pursuant to subsection (a) of this section may allow participation in such appeals by amicus curiae following the Rules of Appellate Procedure Rule 29.

* * * Future Land Use Maps * * *

Sec. 45. 24 V.S.A. § 4302 is amended to read:

§ 4302. PURPOSE; GOALS

* * *

(c) In addition, this chapter shall be used to further the following specific goals:

(1) To plan development so as to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside.

(A) Intensive residential development should be encouraged primarily in ~~areas related to community centers~~ downtown centers, village centers, planned growth areas, and village areas as described in section 4348a of this title, and strip development along highways should be ~~discouraged~~ avoided. These areas should be planned so as to accommodate a substantial majority of housing needed to reach the housing targets developed for each region pursuant to subdivision 4348a(a)(9) of this title.

(B) Economic growth should be encouraged in locally and regionally designated growth areas, employed to revitalize existing village and urban centers, or both, ~~and should be encouraged in growth centers designated under chapter 76A of this title.~~

(C) Public investments, including the construction or expansion of infrastructure, should reinforce the ~~general character and~~ planned growth patterns of the area.

(D) Development should be undertaken in accordance with smart growth principles as defined in subdivision 2791(13) of this title.

* * *

(5) To identify, protect, and preserve important natural and historic features of the Vermont landscape, including:

(A) significant natural and fragile areas;

(B) outstanding water resources, including lakes, rivers, aquifers, shorelands, and wetlands;

(C) significant scenic roads, waterways, and views;

(D) important historic structures, sites, or districts, archaeological sites, and archaeologically sensitive areas.

(6) To maintain and improve the quality of air, water, wildlife, forests, and other land resources.

(A) Vermont's air, water, wildlife, mineral, and land resources should be planned for use and development according to the principles set forth in 10 V.S.A. § 6086(a).

(B) Vermont's water quality should be maintained and improved according to the policies and actions developed in the basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.

(C) Vermont's forestlands should be managed so as to maintain and improve forest blocks and habitat connectors.

* * *

(11) To ensure the availability of safe and affordable housing for all Vermonters.

(A) Housing should be encouraged to meet the needs of a diversity of social and income groups in each Vermont community, particularly for those citizens of low and moderate income, and consistent with housing targets provided for in subdivision 4348a(a)(9) of this title.

(B) New and rehabilitated housing should be safe, sanitary, located conveniently to employment and commercial centers, and coordinated with the provision of necessary public facilities and utilities.

(C) Sites for ~~multi-family~~ multifamily and manufactured housing should be readily available in locations similar to those generally used for single-family ~~conventional~~ dwellings.

(D) Accessory ~~apartments~~ dwelling units within or attached to single-family residences ~~which~~ that provide affordable housing in close proximity to cost-effective care and supervision for relatives, elders, or persons who have a disability should be allowed.

* * *

(14) To encourage flood resilient communities.

(A) New development in identified flood hazard, ~~fluvial erosion~~, and river corridor protection areas should be avoided. If new development is to be built in such areas, it should not exacerbate flooding and fluvial erosion.

(B) The protection and restoration of floodplains and upland forested areas that attenuate and moderate flooding and fluvial erosion should be encouraged.

(C) Flood emergency preparedness and response planning should be encouraged.

(15) To equitably distribute environmental benefits and burdens as described in 3 V.S.A. chapter 72.

* * *

Sec. 46. 24 V.S.A. § 4345a is amended to read:

§ 4345a. DUTIES OF REGIONAL PLANNING COMMISSIONS

A regional planning commission created under this chapter shall:

* * *

(5) Prepare a regional plan and amendments that are consistent with the goals established in section 4302 of this title, and compatible with approved municipal and adjoining regional plans. When preparing a regional plan, the regional planning commission shall:

(A) ~~develop~~ Develop and carry out a process that will encourage and enable widespread citizen involvement; and meaningful participation, as defined in 3 V.S.A. § 6002.

(B) ~~develop~~ Develop a regional data base that is compatible with, useful to, and shared with the geographic information system established under 3 V.S.A. § 20;.

(C) ~~conduct~~ Conduct capacity studies;.

(D) ~~identify~~ Identify areas of regional significance. Such areas may be, but are not limited to, historic sites, earth resources, rare and irreplaceable natural areas, recreation areas, and scenic areas;.

(E) ~~use a land evaluation and site assessment system, that shall at a minimum use the criteria established by the Secretary of Agriculture, Food and Markets under 6 V.S.A. § 8, to identify viable agricultural lands;~~ Consider the potential environmental benefits and environmental burdens, as defined in 3 V.S.A. §6002, of the proposed plan.

(F) ~~consider~~ Consider the probable social and economic benefits and consequences of the proposed plan; ~~and.~~

(G) ~~prepare~~ Prepare a report explaining how the regional plan is consistent with the goals established in section 4302 of this title.

* * *

(11) Review proposed State capital expenditures prepared pursuant to 32 V.S.A. chapter 5 and the Transportation Program prepared pursuant to 19 V.S.A. chapter 1 for compatibility and consistency with regional plans and submit comments to the Secretaries of Transportation and Administration and the legislative committees of jurisdiction.

* * *

(17) As part of its regional plan, define a substantial regional impact, as the term may be used with respect to its region. This definition shall be given ~~due consideration~~ substantial deference, where relevant, in State regulatory proceedings.

* * *

Sec. 47. 24 V.S.A. § 4347 is amended to read:

§ 4347. PURPOSES OF REGIONAL PLAN

A regional plan shall be made with the general purpose of guiding and accomplishing a coordinated, efficient, equitable, and economic development of the region ~~which~~ that will, in accordance with the present and future needs and resources, best promote the health, safety, order, convenience, prosperity, and welfare of ~~the~~ current and future inhabitants as well as efficiency and economy in the process of development. This general purpose includes recommending a distribution of population and of the uses of the land for urbanization, trade, industry, habitation, recreation, agriculture, forestry, and other uses as will tend to:

(1) create conditions favorable to transportation, health, safety, civic activities, and educational and cultural opportunities;

(2) reduce the wastes of financial, energy, and human resources ~~which~~ that result from either excessive congestion or excessive scattering of population;

(3) promote an efficient and economic utilization of drainage, energy, sanitary, and other facilities and resources;

(4) promote the conservation of the supply of food, water, energy, and minerals;

(5) promote the production of food and fiber resources and the reasonable use of mineral, water, and renewable energy resources; ~~and~~

(6) promote the development of housing suitable to the needs of the region and its communities; ~~and~~

(7) help communities equitably build resilience to address the effects of climate change through mitigation and adaptation consistent with the Vermont Climate Action Plan adopted pursuant to 10 V.S.A. § 592 and 3 V.S.A. chapter 72.

Sec. 48. 24 V.S.A. § 4348 is amended to read:

§ 4348. ADOPTION AND AMENDMENT OF REGIONAL PLAN

(a) A regional planning commission shall adopt a regional plan. Any plan for a region, and any amendment thereof, shall be prepared by the regional planning commission. At the outset of the planning process and throughout the process, regional planning commissions shall solicit the participation of each of their member municipalities, local citizens, and organizations by holding informal working sessions that suit the needs of local people. The purpose of these working sessions is to allow for meaningful participation as defined in 3 V.S.A. § 6002, provide consistent information about new statutory requirements related to the regional plan, explain the reasons for new requirements, and gather information to be used in the development of the regional plan and future land use element.

(b) 60 days prior to holding the first public hearing on a regional plan, a regional planning commission shall submit a draft regional plan to the Land Use Review Board review and comments related to conformance of the draft with sections 4302 and 4348a of this title and chapter 139 of this title. The Board shall coordinate with other State agencies and respond within 60 days unless more time is granted by the regional planning commission.

(c) The regional planning commission shall hold two or more public hearings within the region after public notice on any proposed plan or amendment. The minimum number of required public hearings may be specified within the bylaws of the regional planning commission.

~~(e)~~(d)(1) At least 30 days prior to the first hearing, a copy of the proposed plan or amendment, a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter, and a description of any changes to the Regional Future Land Use Map with a request for general comments and for specific comments with respect to the extent to which the plan or amendment is consistent with the goals established in section 4302 of this title, shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:

~~(1)~~(A) the chair of the legislative body or municipal manager, if any of each municipality within the region;

~~(2)(B)~~ the executive director of each abutting regional planning commission;

~~(3)(C)~~ the Department of Housing and Community Development within the Agency of Commerce and Community Development and the Community Investment Board for a formal review and comment;

~~(4)(D)~~ business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned; and

~~(5)(E)~~ the Agency of Natural Resources ~~and~~; the Agency of Agriculture, Food and Markets; the Agency of Transportation; the Department of Public Service; the Department of Public Safety's Division of Emergency Management; and the Land Use Review Board.

(2) At least 30 days prior to the first hearing, the regional planning commission shall provide each of its member municipalities with a written description of map changes within the municipality, a municipality-wide map showing old versus new areas with labels, and information about the new Tier structure under 10 V.S.A. chapter 151, including how to obtain Tier 1A or 1B status, and the process for updating designated area boundaries.

~~(d)(e)~~ Any of the foregoing bodies, or their representatives, may submit comments on the proposed regional plan or amendment to the regional planning commission; and may appear and be heard in any proceeding with respect to the adoption of the proposed plan or amendment.

~~(e)(f)~~ The regional planning commission may make revisions to the proposed plan or amendment at any time not less than 30 days prior to the final public hearing held under this section. If the proposal is changed, a copy of the proposed change shall be delivered physically ~~or~~; electronically with proof of receipt; or by certified mail, return receipt requested, to the chair of the legislative body of each municipality within the region; and to any individual or organization requesting a copy; at least 30 days prior to the final hearing.

~~(f)(g)~~ A regional plan or amendment shall be adopted by not less than a 60 percent vote of the commissioners representing municipalities, in accordance with the bylaws of the regional planning commission, ~~and immediately submitted to the legislative bodies of the municipalities that comprise the region. The plan or amendment shall be considered duly adopted and shall take effect 35 days after the date of adoption, unless, within 35 days of the date of adoption, the regional planning commission receives certification from the legislative bodies of a majority of the municipalities in~~

~~the region vetoing the proposed plan or amendment. In case of such a veto, the plan or amendment shall be deemed rejected.~~

(h)(1) Within 15 days following adoption, a regional planning commission shall submit its regionally adopted regional plan to the Land Use Review Board for a determination of regional plan compliance with a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter and a description of any changes to the regional plan future land use map.

(2) The Land Use Review Board shall hold a public hearing within 60 days after receiving a plan and provide notice of it at least 15 days in advance by direct mail or electronically with proof of receipt to the requesting regional planning commission, posting on the website of the Land Use Review Board, and publication in a newspaper of general circulation in the region affected. The regional planning commission shall notify its municipalities and post on its website the public hearing notice.

(3) The Land Use Review Board shall issue the determination in writing within 15 days after the close of the hearing on the plan. If the determination is affirmative, a copy of the determination shall be provided to the regional planning commission and the Community Investment Board. If the determination is negative, the Land Use Review Board shall state the reasons for denial in writing and, if appropriate, suggest acceptable modifications. Submissions for a new determination that follow a negative determination shall receive a new determination within 45 days.

(4) The Land Use Review Board's affirmative determination shall be based upon finding the regional plan meets the following requirements:

(A) Consistency with the State planning goals as described in section 4302 of this chapter with consistency determined in the manner described under subdivision 4302(f)(1) of this chapter.

(B) Consistency with the purposes of the regional plan established in section 4347 of chapter.

(C) Consistency with the regional plan elements as described in section 4348a of this chapter, except that the requirements of section 4352 of this chapter related to enhanced energy planning shall be the under the sole authority of the Department of Public Service.

(D) Compatibility with adjacent regional planning areas in the manner described under subdivision 4302(f)(2) of this chapter.

(i) Objections of interested parties.

(1) An interested party who has participated in the regional plan adoption process may object to the approval of the plan or approval of the future land use maps by the Land Use Review Board within 15 days following plan adoption by the regional planning commission. Participation is defined as providing written or oral comments stating objections for consideration at a public hearing held by the regional planning commission. Objections shall be submitted using a form provided by the Land Use Review Board.

(2) As used in this section, an “interested party” means any one of the following:

(A) Any 20 persons by signed petition who own property or reside within the region. The petition must designate one person to serve as the representative of the petitioners regarding all matters related to the objection. The designated representative shall have participated in the regional plan adoption process.

(B) A party entitled to notice under subsection (d) of this section.

(3) Any objection under this section shall be limited to the question of whether the regional plan is consistent with the regional plan elements and future land use areas as described in section 4348a of this title. The requirements of section 4352 of this title related to enhanced energy planning shall be under the sole authority of the Department of Public Service and shall not be reviewed by the Land Use Review Board.

(4) The Land Use Review Board shall hear any objections of regional plan adoption concurrently with regional plan review under subsection (h) of this section and 10 V.S.A. § 6033. The Land Use Review Board decision of approval of a regional plan shall expressly evaluate any objections and state the reasons for their decisions in writing. If applicable, the decision to uphold an objection shall suggest modifications to the regional plan.

(j) Minor amendments to regional plan future land use map. A regional planning commission may submit a request for a minor amendment to boundaries of a future land use area for consideration by the Land Use Review Board with a letter of support from the municipality. The request may only be submitted after an affirmative vote of the municipal legislative body and the regional planning commission board. The Land Use Review Board, after consultation with the Community Investment Board and the regional planning commissions, shall provide guidance about what constitutes a minor amendment. Minor amendments may include any change to a future land use area consisting of fewer than 10 acres. A minor amendment to a future land use area shall not require an amendment to a regional plan and shall be

included in the next iteration of the regional plan. The Board may adopt rules to implement this section.

(k) An affirmative determination of regional plan compliance issued pursuant to this section shall remain in effect until the end of the period for expiration or readoption of the plan to which it applies.

(l) Regional planning commissions shall be provided up to 18 months from a negative determination by the Land Use Review Board to obtain an affirmative determination of regional plan compliance. If a regional planning commission is unable to obtain affirmative determination of regional plan compliance, the plan shall be considered unapproved and member municipalities shall lose any associated benefits related to designations, such as Act 250 exemptions or eligibility for State infrastructure investments.

(m) Upon approval by the Land Use Review Board, the plan shall be considered duly adopted, shall take effect, and is not appealable. The plan shall be immediately submitted to the entities listed in subsection (d) of this section.

~~(g)~~(n) Regional plans may be reviewed from time to time and may be amended in the light of new developments and changed conditions affecting the region.

~~(h)~~(o) In proceedings under 10 V.S.A. chapter 151, 10 V.S.A. chapter 159, and 30 V.S.A. § 248, in which the provisions of a regional plan or a municipal plan are relevant to the determination of any issue in those proceedings:

(1) the provisions of the regional plan shall be given effect to the extent that they are not in conflict with the provisions of a duly adopted municipal plan; and

(2) to the extent that such a conflict exists, the regional plan shall be given effect if it is demonstrated that the project under consideration in the proceedings would have a substantial regional impact as determined by the definition in the regional plan.

(p) Regional planning commissions shall adopt a regional plan in conformance with this title on or before December 31, 2026.

Sec. 49. 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:

(1) A statement of basic policies of the region to guide the future growth and development of land and of public services and facilities, and to protect the environment.

(2) A ~~land-use~~ natural resources and working lands element, which shall consist of a map or maps and ~~statement of present and prospective land uses policies, based on ecosystem function, consistent with Vermont Conservation Design, support compact centers surrounded by rural and working lands, and~~ that:

(A) Indicates those areas of significant natural resources, including existing and proposed for forests, wetlands, vernal pools, rare and irreplaceable natural areas, floodplains, river corridors, recreation, agriculture, (using the agricultural lands identification process established in 6 V.S.A. § 8), residence, commerce, industry, public, and semi-public semipublic uses, open spaces, areas reserved for flood plain, forest blocks, habitat connectors, recreation areas and recreational trails, and areas identified by the State, regional planning commissions, or municipalities that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes.

(B) ~~Indicates those areas within the region that are likely candidates for designation under sections 2793 (downtown development districts), 2793a (village centers), 2793b (new town centers), and 2793c (growth centers) of this title.~~

(C) ~~Indicates locations proposed for developments with a potential for regional impact, as determined by the regional planning commission, including flood control projects, surface water supply projects, industrial parks, office parks, shopping centers and shopping malls, airports, tourist attractions, recreational facilities, private schools, public or private colleges, and residential developments or subdivisions.~~

(D) ~~Sets forth the present and prospective location, amount, intensity, and character of such land uses and the appropriate timing or sequence of land development activities in relation to the provision of necessary community facilities and services.~~

(E) Indicates those areas that have the potential to sustain agriculture and recommendations for maintaining them ~~which~~ that may include transfer of development rights, acquisition of development rights, or farmer assistance programs.

(F)(C) Indicates those areas that are important as forest blocks and habitat connectors and plans for land development in those areas to minimize

forest fragmentation and promote the health, viability, and ecological function of forests. A plan may include specific policies to encourage the active management of those areas for wildlife habitat, water quality, timber production, recreation, or other values or functions identified by the regional planning commission.

(D) Encourages preservation of rare and irreplaceable natural areas, scenic and historic features and resources.

(E) Encourages protection and improvement of the quality of waters of the State to be used in the development and furtherance of the applicable basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.

(3) An energy element, ~~which may include~~ including an analysis of resources, needs, scarcities, costs, and problems within the region across all energy sectors, including electric, thermal, and transportation; a statement of policy on the conservation and efficient use of energy and the development and siting of renewable energy resources; a statement of policy on patterns and densities of land use likely to result in conservation of energy; and an identification of potential areas for the development and siting of renewable energy resources and areas that are unsuitable for siting those resources or particular categories or sizes of those resources.

(4) A transportation element, ~~which may consist~~ consisting of a statement of present and prospective transportation and circulation facilities, and a map showing existing and proposed highways, including limited access highways, and streets by type and character of improvement, and where pertinent, anticipated points of congestion, parking facilities, transit routes, terminals, bicycle paths and trails, scenic roads, airports, railroads and port facilities, and other similar facilities or uses, and recommendations to meet future needs for such facilities, with indications of priorities of need, costs, and method of financing.

(5) A utility and facility element, consisting of a map and statement of present and prospective local and regional community facilities and public utilities, whether publicly or privately owned, showing existing and proposed educational, recreational and other public sites, buildings and facilities, including public schools, State office buildings, hospitals, libraries, power generating plants and transmission lines, wireless telecommunications facilities and ancillary improvements, water supply, sewage disposal, refuse disposal, storm drainage, and other similar facilities and activities, and recommendations to meet future needs for those facilities, with indications of priority of need.

~~(6) A statement of policies on the:~~

~~(A) preservation of rare and irreplaceable natural areas, scenic and historic features and resources; and~~

~~(B) protection and improvement of the quality of waters of the State to be used in the development and furtherance of the applicable basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253. [Repealed.]~~

* * *

(12) A future land use element, based upon the elements in this section, that sets forth the present and prospective location, amount, intensity, and character of such land uses in relation to the provision of necessary community facilities and services and that consists of a map delineating future land use area boundaries for the land uses in subdivisions (A)–(J) of this subdivision (12) as appropriate and any other special land use category the regional planning commission deems necessary; descriptions of intended future land uses; and policies intended to support the implementation of the future land use element using the following land use categories:

(A) Downtown or village centers. These areas are the mixed-use centers bringing together community economic activity and civic assets. They include downtowns, villages, and new town centers previously designated under chapter 76A and downtowns and village centers seeking benefits under the Community Investment Program under section 5804 of this title. The downtown or village centers are the traditional and historic central business and civic centers within planned growth areas, village areas, or may stand alone. Village centers are not required to have public water, wastewater, zoning, or subdivision bylaws.

(B) Planned growth areas. These areas include the high-density existing settlement and future growth areas with high concentrations of population, housing, and employment in each region and town, as appropriate. They include a mix of historic and nonhistoric commercial, residential, and civic or cultural sites with active streetscapes, supported by land development regulations; public water or wastewater, or both; and multimodal transportation systems. These areas include new town centers, downtowns, village centers, growth centers, and neighborhood development areas previously designated under chapter 76A of this title. These areas should generally meet the smart growth principles definition in chapter 139 of this title and the following criteria:

(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title

and has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.

(ii) This area is served by public water or wastewater infrastructure.

(iii) The area is generally within walking distance from the municipality's or an adjacent municipality's downtown, village center, new town center, or growth center.

(iv) The area excludes identified flood hazard and river corridor areas, except those areas containing preexisting development in areas suitable for infill development as defined in section 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(v) The municipal plan indicates that this area is intended for higher-density residential and mixed-use development.

(vi) The area provides for housing that meets the needs of a diversity of social and income groups in the community.

(vii) The area is served by planned or existing transportation infrastructure that conforms with "complete streets" principles as described under 19 V.S.A. chapter 24 and establishes pedestrian access directly to the downtown, village center, or new town center. Planned transportation infrastructure includes those investments included in the municipality's capital improvement program pursuant to section 4430 of this title.

(C) Village areas. These areas include the traditional settlement area or a proposed new settlement area, typically composed of a cohesive mix of residential, civic, religious, commercial, and mixed-use buildings, arranged along a main street and intersecting streets that are within walking distance for residents who live within and surrounding the core. These areas include existing village center designations and similar areas statewide, but this area is larger than the village center designation. Village areas shall meet the following criteria:

(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title.

(ii) The municipality has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.

(iii) Unless the municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with the standards established pursuant to 10 V.S.A. § 755b (flood hazard) and 10 V.S.A. § 1428(b) (river corridor), the area excludes identified flood hazard

and river corridors, except those areas containing preexisting development in areas suitable for infill development as defined in 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(iv) The municipality has either municipal water or wastewater. If no public wastewater is available, the area must have soils that are adequate for wastewater disposal.

(v) The area has some opportunity for infill development or new development areas where the village can grow and be flood resilient.

(D) Transition or infill area. These areas include areas of existing or planned commercial, office, mixed-use development, or residential uses either adjacent to a planned growth or village area or a new stand-alone transition or infill area and served by, or planned for, public water or wastewater, or both. The intent of this land use category is to transform these areas into higher-density, mixed-use settlements, or residential neighborhoods through infill and redevelopment or new development. New commercial linear strip development is not allowed as to prevent it negatively impacting the economic vitality of commercial areas in the adjacent or nearby planned growth or village area. This area could also include adjacent greenfields safer from flooding and planned for future growth.

(E) Resource-based recreation areas. These areas include large-scale resource-based recreational facilities, often concentrated around ski resorts, lakeshores, or concentrated trail networks, that may provide infrastructure, jobs, or housing to support recreational activities.

(F) Enterprise areas. These areas include locations of high economic activity and employment that are not adjacent to planned growth areas. These include industrial parks, areas of natural resource extraction, or other commercial uses that involve larger land areas. Enterprise areas typically have ready access to water supply, sewage disposal, electricity, and freight transportation networks.

(G) Hamlets. Small historic clusters of homes and may include a school, place of worship, store, or other public buildings not planned for significant growth; no public water supply or wastewater systems; and mostly focused along one or two roads. These may be depicted as points on the future land use map.

(H) Rural; general. These areas include areas that promote the preservation of Vermont's traditional working landscape and natural area features. They allow for low-density residential and some limited commercial development that is compatible with productive lands and natural areas. This

may also include an area that a municipality is planning to make more rural than it is currently.

(I) Rural; agricultural and forestry. These areas include blocks of forest or farmland that sustain resource industries, provide critical wildlife habitat and movement, outdoor recreation, flood storage, aquifer recharge, and scenic beauty, and contribute to economic well-being and quality of life. Development in these areas should be carefully managed to promote the working landscape and rural economy, and address regional goals, while protecting the agricultural and forest resource value.

(J) Rural; conservation. These are areas of significant natural resources, identified by regional planning commissions or municipalities based upon existing Agency of Natural Resources mapping that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes. The mapping of these areas and accompanying policies are intended to help meet requirements of 10 V.S.A. chapter 89. Any portion of this area that is approved by the LURB as having Tier 3 area status shall be identified on the future land use map as an overlay upon approval.

(b) The various elements and statements shall be correlated with the land use element and with each other. The maps called for by this section may be incorporated on one or more maps, and may be referred to in each separate statement called for by this section.

(c) The regional plan future land use map shall delineate areas within the regional planning commission's member municipalities that are eligible to receive designation benefits as centers and neighborhoods when the future land use map is approved by the Land Use Review Board per 10 V.S.A. § 6033. The areas eligible for designation as centers shall be identified on the regional plan future land use map as regional downtown centers and village centers. The areas eligible for designation as neighborhoods shall be identified on the regional plan future land use map as planned growth areas and village areas in a manner consistent with this section and chapter 139 of this title. This methodology shall include all approved designated downtowns, villages, new town centers, neighborhood development areas, and growth centers existing on December 31, 2025, unless the subject member municipality requests otherwise.

(d) With the exception of preexisting, nonconforming designations approved prior to the establishment of the program, the areas eligible for designation benefits upon the Land Use Review Board's approval of the regional plan future land use map for designation as a center shall not include development that is disconnected from a downtown or village center and that

lacks an existing or planned pedestrian connection to the center via a complete street.

(e) The Vermont Association of Planning and Development Agencies shall develop, maintain, and update standard methodology and process for the mapping of areas eligible for Tier 1B status under 10 V.S.A. § 6033 and designation under chapter 139 of this title. The methodology shall be issued on or before December 31, 2024, in consultation with the Department of Housing and Community Development and Land Use Review Board.

Sec. 50. REGIONAL PLANNING COMMISSION STUDY

(a) The Vermont Association of Planning and Development Agencies (VAPDA) shall hire an independent contractor to study the strategic opportunities for regional planning commissions to better serve municipalities and the State. This study shall seek to ensure that the regional planning commissions are statutorily enabled and strategically positioned to meet ongoing and emerging State and municipal needs and shall review the following: governance, funding, programs, service delivery, equity, accountability, and staffing.

(b) A stakeholder group composed of the Vermont League of Cities and Towns, Vermont Council on Rural Development, the Department of Housing and Community Development, the Agency of Administration, the Office of Racial Equity, legislators, and others will be invited to participate in the study to provide their insights into governance structure, accountability, and performance standards.

(c) The study shall identify the gaps in statutory enabling language, structure, and local engagement and make recommendations on how to improve and ensure consistent and equitable statewide programming and local input and engagement, including methods to improve municipal participation; the amount of regional planning grant funding provided to each regional planning commission relative to statutory responsibilities, the number of municipalities, and other demands; and how to make it easier for municipalities to work together.

(d) On or before December 31, 2024, the study report shall be submitted to the House Committees on Environment and Energy, on Commerce and Economic Development, and on Government Operations and Military Affairs and the Senate Committees on Economic Development, Housing and General Affairs, on Natural Resources and Energy, and on Government Operations.

* * * Municipal Zoning * * *

Sec. 51. 24 V.S.A. § 4382 is amended to read:

§ 4382. THE PLAN FOR A MUNICIPALITY

(a) A plan for a municipality 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 public and private actions to address housing needs and targets as identified by the regional planning commission pursuant to subdivision 4348a(a)(9) of this title. The program ~~should~~ shall 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 residential development as described in section 4412 of this title.

* * *

Sec. 52. 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~~ a permitted use with ~~the same~~ dimensional standards as that are not more restrictive than is required for a single-unit dwelling, including no additional land or lot area than would be required for 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 on the same size lot as single-unit dwelling, unless that district specifically requires multiunit structures to have more than four dwelling units.

* * *

(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. Any lot that is smaller than one acre but granted a variance of not more than 10 percent shall be treated as one acre for the purposes of this subsection. Density and minimum lot size 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, rounded up to the nearest whole unit, which shall include exceeding maximum height limitations by one floor, provided that the structure complies with the Vermont Fire and Building Safety Code.

(14) No zoning or subdivision bylaw shall have the effect of prohibiting unrelated occupants from residing in the same dwelling unit.

Sec. 53. 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 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; and

(H) hotels and motels converted to permanently affordable housing developments.

* * *

Sec. 54. 24 V.S.A. § 4428 is added to read:

§ 4428. PARKING BYLAWS

(a) Parking regulation. Consistent with section 4414 of this title and with this section, a municipality may regulate parking.

(b) Parking space size standards. For the purpose of residential parking, a municipality shall define a standard parking space as not larger than nine feet by 18 feet, however a municipality may allow a portion of parking spaces to be smaller for compact cars or similar use. A municipality may require a larger space wherever American with Disabilities Act-compliant spaces are required.

(c) Existing nonconforming parking. A municipality shall allow an existing nonconforming parking space to count toward the parking requirement of an existing residential building if new residential units are added to the building.

(d) Adjacent lots. A municipality may allow a person with a valid legal agreement for use of parking spaces in an adjacent or nearby lot to count toward the parking requirement of a residential building.

Sec. 55. 2023 Acts and Resolves No. 47, Sec. 1 is amended to read:

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 multiunit dwellings in areas not served by sewer and water, and in areas that are located more than one-quarter mile away from public parking. The number of parking spaces shall be 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.

* * *

Sec. 56. 2023 Acts and Resolves No. 81, Sec. 10 is amended to read:

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) Sec. 1 (24 V.S.A. § 4414) shall take effect on ~~December~~ July 1, 2024.

* * *

Sec. 57. 24 V.S.A. § 4429 is added to read:

§ 4429. LOT COVERAGE BYLAWS

A municipality shall allow for a lot coverage bonus of 10 percent on lots that allow access to new or subdivided lots without road frontage.

Sec. 58. 24 V.S.A. § 4464 is amended to read:

§ 4464. HEARING AND NOTICE REQUIREMENTS; DECISIONS AND
ADVISORY COMMISSIONS IN DEVELOPMENT REVIEW

* * *

(b) Decisions.

(1) The appropriate municipal panel may recess the proceedings on any application pending submission of additional information. The panel should close the evidence promptly after all parties have submitted the requested information. The panel shall adjourn the hearing and issue a decision within 45 180 days after the adjournment of the hearing, ~~and failure of the panel to issue a decision within this period shall be deemed approval and shall be effective on the 46th day~~ complete application was submitted unless both the applicant and the panel agree to waive the deadline. Decisions shall be issued in writing and shall include a statement of the factual bases on which the appropriate municipal panel has made its conclusions and a statement of the conclusions. The minutes of the meeting may suffice, provided the factual bases and conclusions relating to the review standards are provided in conformance with this subsection.

* * *

Sec. 59. 24 V.S.A. § 4465 is amended to read:

§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

* * *

(b) As used in this chapter, an “interested person” means any one of the following:

* * *

(4) Any ~~10~~ 25 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.

* * *

Sec. 60. [Deleted.]

Sec. 61. 10 V.S.A. § 8504 is amended to read:

§ 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

* * *

(k) Limitations on appeals. Notwithstanding any other provision of this section:

(1) there shall be no appeal from a District Commission decision when the Commission has issued a permit and no hearing was requested or held, or no motion to alter was filed following the issuance of an administrative amendment;

(2) a municipal decision regarding whether a particular application qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject to appeal;

(3) if a District Commission issues a partial decision under subsection 6086(b) of this title, any appeal of that decision must be taken within 30 days ~~of~~ following the date of that decision; and

(4) it shall be the goal of the Environmental Division to hear a case regarding appeals of an appropriate municipal panel under 24 V.S.A. chapter 117 within 60 days following the case being filed with the Division and issue a decision within 90 days following the close of the hearing on the case.

* * *

* * * Resilience Planning * * *

Sec. 62. 24 V.S.A. § 4306 is amended to read:

§ 4306. MUNICIPAL AND REGIONAL PLANNING AND RESILIENCE
FUND

(a)(1) The Municipal and Regional Planning and Resilience Fund for the purpose of assisting municipal and regional planning commissions to carry out the intent of this chapter is hereby created in the State Treasury.

(2) The Fund shall be composed of 17 percent of the revenue from the property transfer tax under 32 V.S.A. chapter 231 and any monies from time to time appropriated to the Fund by the General Assembly or received from any other source, private or public. All balances at the end of any fiscal year shall be carried forward and remain in the Fund. Interest earned by the Fund shall be deposited in the Fund.

(3) Of the revenues in the Fund, each year:

(A) 10 percent shall be disbursed to the Vermont Center for Geographic Information;

(B) 70 percent shall be disbursed to the Secretary of Commerce and Community Development for performance contracts with regional planning commissions to provide regional planning services pursuant to section 4341a of this title; and

(C) 20 percent shall be disbursed to municipalities.

(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 planning and resilience purposes 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) of this subsection 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 section 4307 of this title.

(c) Funds allocated to municipalities shall be used for the purposes of:

(1) funding the regional planning commission in undertaking capacity studies;

(2) carrying out the provisions of subchapters 5 through 10 of this chapter;

(3) acquiring development rights, conservation easements, or title to those lands, areas, and strictures identified in either regional or municipal plans as requiring special consideration for provision of needed housing, aquifer protection, flood protection, climate resilience, open space, farmland preservation, or other conservation purposes; and

(4) reasonable and necessary costs of administering the Fund by the Department of Housing and Community Development, not to exceed six percent of the municipality allocation.

(d) Until July 1, 2027, the annual disbursement to municipalities shall:

(1) prioritize funding grants to municipalities that do not have zoning or subdivision bylaws to create zoning or subdivision bylaws;

(2) allow a regional planning commission to submit an application for disbursement on behalf of a municipality; and

(3) not require a municipality without zoning or subdivision bylaws to contribute matching funds in order to receive a grant.

Sec. 63. [Deleted.]

Sec. 64. [Deleted.]

* * * Designated Areas Update * * *

Sec. 65. REPEALS

(a) 24 V.S.A. chapter 76A (Historic Downtown Development) is repealed on July 1, 2034.

(b) 24 V.S.A. § 2792 (Vermont Downtown Development Board) is repealed on July 1, 2024.

Sec. 66. 24 V.S.A. chapter 139 is added to read:

CHAPTER 139. STATE COMMUNITY INVESTMENT PROGRAM

§ 5801. DEFINITIONS

As used in this chapter:

(1) “Community Investment Program” means the program established in this chapter, as adapted from the former State designated areas program formerly in chapter 76A of this title. Statutory references outside this chapter referring to the former State-designated downtown, village centers, and new town centers shall mean designated center, once established. Statutory references outside this chapter referring to the former State-designated neighborhood development areas and growth centers shall mean designated neighborhood, once established. The program shall extend access to benefits that sustain and revitalize existing buildings and maintain the basis of the program’s primary focus on revitalizing historic downtowns, villages and surrounding neighborhoods by promoting smart growth development patterns and historic preservation practices vital to Vermont’s economy, cultural landscape, equity of opportunity, and climate resilience.

(2) “Complete streets” or “complete street principles” has the same meaning as in 19 V.S.A. chapter 24.

(3) “Department” means the Department of Housing and Community Development.

(4) “Downtown center” or “village center” means areas on the regional plan future land use maps that may be designated as a center consistent with section 4348a of this title.

(5) “LURB” refers to the Land Use Review Board established pursuant to 10 V.S.A. § 6021.

(6) “Infill” means the use of vacant land or property or the redevelopment of existing buildings within a built-up area for further construction or land development.

(7) “Local downtown organization” means either a nonprofit corporation, or a board, council, or commission created by the legislative body of the municipality, whose primary purpose is to administer and implement the community reinvestment agreement and other matters regarding the revitalization of the downtown.

(8) “Planned growth area” means an area on the regional plan future land use maps required under section 4348a of this title, which may encompass a downtown center or village center on the regional future land use map and may be designated as a center or neighborhood, or both.

(9) “Regional plan future land use map” means the map prepared pursuant to section 4348a of this title.

(10) “Sprawl repair” means the redevelopment of lands with buildings, traffic and circulation, parking, or other land coverage in a pattern that is consistent with smart growth principles.

(11) “State Board” means the Vermont Community Investment Board established in section 5802 of this title.

(12) “State Designated Downtown and Village Center” or “center” means a contiguous downtown or village a portion of which is listed or eligible for listing in the national register of historic places area approved as part of the LURB review of regional plan future land use maps, which may include an approved preexisting designated designated downtown, village center, or designated new town center established prior to the approval of the regional plan future land use maps.

(13) “State designated neighborhood” or “neighborhood” means a contiguous geographic area approved as part of the Land Use Review Board review of regional plan future land use maps that is compact and adjacent and contiguous to a center.

(14) “Vermont Downtown Program” means a program within the Department that coordinates with Main Street America that helps support community investment and economic vitality while preserving the historic character of Vermont’s downtowns. The Vermont Downtown Program provides downtowns with financial incentives, training, and technical assistance supporting local efforts to restore historic buildings, improve housing, design walkable communities, and encourage economic development by incentivizing public and private investments.

(15) “Village area” means an area on the regional plan future land use maps adopted pursuant to section 4348a of this title, which may encompass a village center on the regional future land use map.

§ 5802. VERMONT COMMUNITY INVESTMENT BOARD

(a) A Vermont Community Investment Board, also referred to as the “State Board,” is created to administer the provisions of this chapter. The State Board shall be composed of the following members or their designees:

(1) the Secretary of Commerce and Community Development;

(2) the Secretary of Transportation;

(3) the Secretary of Natural Resources;

(4) the Commissioner of Public Safety;

(5) the State Historic Preservation Officer;

(6) a member of the community designated by the Director of Racial Equity;

(7) a person, appointed by the Governor from a list of three names submitted by the Vermont Natural Resources Council and the Preservation Trust of Vermont;

(8) a person, appointed by the Governor from a list of three names submitted by the Vermont Association of Chamber of Commerce Executives;

(9) three public members representative of local government, one of whom shall be designated by the Vermont League of Cities and Towns and two of whom shall be appointed by the Governor;

(10) the Executive Director of the Vermont Bond Bank;

(11) the State Treasurer;

(12) a member of the Vermont Planners Association designated by the Association;

(13) a representative of a regional development corporation designated by the regional development corporations; and

(14) a representative of a regional planning commission designated by the Vermont Association of Planning and Development Agencies.

(b) The State Board shall elect a chair and vice chair from among its membership.

(c) The Department shall provide legal, staff, and administrative support to the State Board; shall produce guidelines to direct municipalities seeking to obtain designation under this chapter and for other purposes established by this chapter; and shall pay per diem compensation for board members pursuant to 32 V.S.A. § 1010(b).

(d) The State Board shall meet at least quarterly.

(e) The State Board shall have authority to adopt rules of procedure to use for appeal of its decisions and rules on handling conflicts of interest.

(f) In addition to any other duties confirmed by law, the State Board shall have the following duties:

(1) to serve as the funding and benefits coordination body for the State Community Investment Program;

(2) to review and comment on proposed regional plan future land use maps prepared by the regional planning commission and presented to the LURB for designated center and designated neighborhood recognition under 10 V.S.A. § 6033;

(3) to award tax credits under the 32 V.S.A. § 5930aa et seq.;

(4) to manage the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title; and

(5) to review and comment on LURB guidelines, rules, or procedures for the regional plan future land use maps as they relate to the designations under this chapter.

§ 5803. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS

(a) Designation established. A regional planning commission may apply to the LURB for approval and designation of all centers by submitting the regional plan future land use map adopted by the regional planning commission. The regional plan future land use map shall identify downtown centers and village centers as the downtown and village areas eligible for designation as centers. The Department and State Board shall provide comments to the LURB on areas eligible for center designation as provided under this chapter.

(b) Inclusions. The areas mapped by the regional planning commissions as a center shall allow for the designation of preexisting, designated downtowns, village centers and new town centers in existence on or before December 31, 2025.

(c) Exclusions. With the exception for preexisting, nonconforming designations approved prior to the establishment of the program under this chapter or areas included in the municipal plan for the purposes of relocating a municipality's center for flood resiliency purposes, the areas eligible for designation benefits upon the LURB's approval of the regional plan future land use map for designation as a Center shall not include development that is

disconnected from a Center and that lacks a pedestrian connection to the Center via a complete street.

(d) Approval. The LURB shall conduct its review pursuant to 10 V.S.A. § 6033.

(e) Transition. All designated downtowns, village centers, or new town centers existing as of December 31, 2025 will retain current benefits until December 31, 2026 or until approval of the regional future land use maps by the LURB, whichever comes first. All existing designations in effect December 31, 2025 will expire December 31, 2026 if the regional plan does not receive LURB approval under this chapter. All benefits for unexpired designated downtowns, village centers, and new town centers that are removed under this chapter shall remain in effect until July 1, 2034. Prior to June 30, 2026, no check-in or renewals shall be required for the preexisting designations. New applications for downtowns, villages, and new town centers may be approved by the State Board prior to the first public hearing on a regional future land use map or until December 31, 2025, whichever comes first.

(f) Benefits Steps. A center may receive the benefits associated with the steps in this section by meeting the established requirements. The Department shall review applications from municipalities to advance from Step One to Two and from Step Two to Three and issue written decisions. The Department shall issue a written administrative decision within 30 days following an application. If a municipal application is rejected by the Department, the municipality may appeal the administrative decision to the State Board. To maintain a downtown approved under chapter 76A after December 31, 2026, the municipality shall apply for renewal following a regional planning approval by the LURB and meet the program requirements. Step Three designations that are not approved for renewal revert to Step Two. The municipality may appeal the administrative decision of the Department to the State Board. Appeals of administrative decisions shall be heard by the State Board at the next meeting following a timely filing stating the reasons for the appeal. The State Board's decision is final. The Department shall issue guidance to administer these steps.

(1) Step One.

(A) Requirements. Step One is established to create an accessible designation for all villages throughout the State to become eligible for funding and technical assistance to support site-based improvements and planning. All downtown and village centers shall automatically reach Step One upon approval of the regional plan future land use map by the LURB. Regional plan

future land use maps supersede preexisting designated areas that may already meet the Step One requirement.

(B) Benefits. A center that reaches Step One is eligible for the following benefits:

(i) funding and technical assistance eligibility for site-based projects, including the Better Places Grant Program under section 5810 of this chapter, access to the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq., and other programs identified in the Department's guidance; and

(ii) funding priority for developing or amending the municipal plan, visioning, and assessments.

(2) Step Two.

(A) Requirements. Step Two is established to create a mid-level designation for villages throughout the State to increase planning and implementation capacity for community-scale projects. A center reaches Step Two if it:

(i) meets the requirements of Step One or if it has a designated village center or new town center under chapter 76A of this title upon initial approval of the regional plan future land use map and prior to December 31, 2026;

(ii) has a confirmed municipal planning process pursuant to 24 V.S.A. § 4350;

(iii) has a municipal plan with goals for investment in the center;
and

(iv) a portion of the center is listed or eligible for listing in the National Register of Historic Places.

(B) Benefits. In addition to the benefits of Step One, a center that reaches Step Two is eligible for the following benefits:

(i) funding priority for bylaws and special-purpose plans, capital plans, and area improvement or reinvestment plans, including priority consideration for the Better Connections Program and other applicable programs identified by Department guidance;

(ii) funding priority for infrastructure project scoping, design, engineering, and construction by the State Program and State Board;

(iii) the authority to create a special taxing district pursuant to chapter 87 of this title for the purpose of financing both capital and operating costs of a project within the boundaries of a center;

(iv) priority consideration for State and federal affordable housing funding;

(v) authority for the municipal legislative body to establish speed limits of less than 25 mph within the center under 23 V.S.A. § 1007(g);

(vi) State wastewater permit fees capped at \$50.00 for residential development under 3 V.S.A. § 2822;

(vii) exemption from the land gains tax under 32 V.S.A. § 10002(p); and

(viii) assistance and guidance from the Department for establishing local historic preservation regulations.

(3) Step Three.

(A) Requirements. Step Three is established to create an advanced designation for downtowns throughout the State to create mixed-use centers and join the Vermont Downtown Program. A center reaches Step Three if the Department finds that it meets the following requirements:

(i) Meets the requirements of Step Two, or if it has an existing downtown designated under chapter 76A of this title in effect upon initial approval of the regional future land use map and prior to December 31, 2026.

(ii) Is listed or eligible for listing in the National Register of Historic Places.

(iii) Has a downtown improvement plan.

(iv) Has a downtown investment agreement.

(v) Has a capital program adopted under section 4430 of this title that implements the Step Three requirements.

(vi) Has a local downtown organization with an organizational structure necessary to sustain a comprehensive long-term downtown revitalization effort, including a local downtown organization that will collaborate with municipal departments, local businesses, and local nonprofit organizations. The local downtown organization shall work to:

(I) enhance the physical appearance and livability of the area by implementing local policies that promote the use and rehabilitation of historic and existing buildings, by developing pedestrian-oriented design requirements, by encouraging new development and infill that satisfy such

design requirements, and by supporting long-term planning that is consistent with the goals set forth in section 4302 of this title;

(II) build consensus and cooperation among the many groups and individuals who have a role in the planning, development, and revitalization process;

(III) market the assets of the area to customers, potential investors, new businesses, local citizens, and visitors;

(IV) strengthen, diversify, and increase the economic activity within the downtown; and

(V) measure annually progress and achievements of the revitalization efforts as required by Department guidelines.

(vii) Has available public water and wastewater service and capacity.

(viii) Has permanent zoning and subdivision bylaws.

(ix) Has adopted historic preservation regulations for the district with a demonstrated commitment to protect and enhance the historic character of the downtown through the adoption of bylaws that adequately meet the historic preservation requirements in subdivisions 4414(1)(E) and (F) of this title, unless recognized by the program as a preexisting designated new town center.

(x) Has adopted design or form-based regulations that adequately regulate the physical form and scale of development with compact lot, building, and unit density, building heights, and complete streets.

(B) Benefits. In addition to the benefits of Steps One and Two, a municipality that reaches Step Three is eligible for the following benefits:

(i) Funding for the local downtown organization and technical assistance from the Vermont Downtown Program for the center.

(ii) A reallocation of receipts related to the tax imposed on sales of construction materials as provided in 32 V.S.A. § 9819.

(iii) Eligibility to receive National Main Street Accreditation from Main Street America through the Vermont Downtown Program.

(iv) Signage options pursuant to 10 V.S.A. § 494(13) and (17).

(v) Housing appeal limitations as described in chapter 117 of this title.

(vi) Highest priority for locating proposed State functions by the Commissioner of Buildings and General Services or other State officials, in

consultation with the municipality, Department, State Board, the General Assembly committees of jurisdiction for the Capital Budget, and the regional planning commission. When a downtown location is not suitable, the Commissioner shall issue written findings to the consulted parties demonstrating how the suitability of the State function to a downtown location is not feasible.

(vii) Funding for infrastructure project scoping, design, and engineering, including participation in the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title.

§ 5804. DESIGNATED NEIGHBORHOOD

(a) Designation established.

(1) A regional planning commission may request approval from the LURB for designation of areas on the regional plan future land use maps as a designated neighborhood under 10 V.S.A. § 6033. Areas eligible for designation include planned growth areas and village areas identified on the regional plan future land use map. This designation recognizes that the vitality of downtowns and villages is supported by adjacent and walkable neighborhoods and that the benefits structure must ensure that investments for sprawl repair or infill development within a neighborhood is secondary to a primary purpose to maintain the vitality and livability and maximize the climate resilience and infill potential of centers.

(2) Approval of planned growth areas and village areas as designated neighborhoods shall follow the same process as approval for designated centers provided for in 10 V.S.A. § 6033 and consistent with sections 4348 and 4348a of this title.

(b) Transition. All designated growth center or neighborhood development areas existing as of December 31, 2025 will retain current benefits until December 31, 2026 or upon approval of the regional plan future land use maps, whichever comes first. All existing neighborhood development area and growth center designations in effect on December 31, 2025 will expire on December 31, 2026 if the regional plan future land use map is not approved. All benefits that are removed for unexpired neighborhood development areas and growth centers under this chapter shall remain active with prior designations existing as of December 31, 2025 until December 31, 2034. Prior to December 31, 2026, no check-ins or renewal shall be required for the existing designations. New applications for neighborhood development area designations may be approved by the State Board prior to the first hearing for a regional plan adoption or until December 31, 2025, whichever comes first.

(c) Requirements. A designated neighborhood shall meet the requirements for planned growth area or village area as described in section 4348a of this title.

(d) Benefits. A designated neighborhood is eligible for the following benefits:

(1) funding priority for bylaws and special-purpose plans, capital plans, and area improvement or reinvestment plans, including priority consideration for the Better Connections Program and other applicable programs identified by Department guidance;

(2) funding priority for Better Connections and other infrastructure project scoping, design, engineering, and construction by the State Community Investment Program and Board;

(3) eligibility for the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq.;

(4) priority consideration for State and federal affordable housing funding;

(5) certain housing appeal limitations under chapter 117 of this title;

(6) authority for the municipal legislative body to lower speed limits to less than 25 mph within the neighborhood;

(7) State wastewater application fee capped at \$50.00 for residential development under 3 V.S.A. § 2822(j)(4)(D);

(8) exclusion from the land gains tax provided by 32 V.S.A. § 10002(p); and

(9) the authority to create a special taxing district pursuant to chapter 87 of this title for the purpose of financing both capital and operating costs of a project within the boundaries of a neighborhood.

§ 5805. GRANTS AND GIFTS

The Department of Housing and Community Development may accept funds, grants, gifts, or donations of up to \$10,000.00 from individuals, corporations, foundations, governmental entities, or other sources, on behalf of the Community Planning and Revitalization Division to support trainings, conferences, special projects, and initiatives.

§ 5806. DESIGNATION DATA CENTER

The Department, in coordination with the LURB, shall maintain an online municipal planning data center publishing approved regional plan future land

use maps adoptions and amendments and indicating the status of each approved designation within the region, and associated steps for centers.

§ 5807. 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. This shall be the same Fund created under the prior section 2799 of this title.

(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 persons 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 an area designated under this chapter 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 three projects per calendar year within a municipality.

(4) The minimum amount of a grant award is \$5,000.00, and the maximum amount of a grant award is \$40,000.00.

(5) The Department shall develop matching grant eligibility requirements to ensure a broad base of community and financial support for the project, subject to the following:

(A) A project shall include in-kind support and matching funds raised through a crowdfunding approach that includes multiple donors.

(B) An applicant may not donate to its own crowdfunding campaign.

(C) A donor may not contribute more than \$10,000.00 or 35 percent of the campaign goal, whichever is less.

(D) An applicant shall provide matching funds raised through crowdfunding of not less than 33 percent of the grant award. The Department may require a higher percent of matching funds for certain project areas to ensure equitable distribution of resources across Vermont.

(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. 67. MUNICIPAL TECHNICAL ASSISTANCE REPORT

(a) On or before December 31, 2025, the Commissioner of Housing and Community Development shall develop recommendations for providing coordinated State agency technical assistance to municipalities participating in the programs under 24 V.S.A. chapter 139 to the Senate Committee on Natural Resources and Energy and the House Committee on Environment and Energy.

(b) The recommendations shall address effective procedures for interagency coordination to support municipal community investment, revitalization, and development including coordination for:

- (1) general project advising;
- (2) physical improvement planning design;
- (3) policy making; and
- (4) project management.

(c) The recommendations shall support the implementation of State agency plans and the following strategic priorities for municipal and community investment, revitalization, and development assistance:

- (1) housing development growth;
- (2) climate resilience;

- (3) public infrastructure investment;
- (4) local administrative capacity;
- (5) equity, diversity, and access;
- (6) livability and social service; and
- (7) historic preservation.

* * * Tax Credits * * *

Sec. 68. 32 V.S.A. § 5930aa is amended to read:

§ 5930aa. DEFINITIONS

As used in this subchapter:

* * *

(2) “Qualified building” means a building built at least 30 years before the date of application, located within a designated ~~downtown, village center, or neighborhood development area~~ center or neighborhood, which, upon completion of the project supported by the tax credit, will be an income-producing building not used solely as a single-family residence. Churches and other buildings owned by a religious organization may be qualified buildings, but in no event shall tax credits be used for religious worship.

(3) “Qualified code improvement project” means a project:

(A) to install or improve platform lifts suitable for transporting personal mobility devices, limited use or limited application elevators, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the Department of Public Safety;

(B) to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; or

(C) to redevelop a contaminated property in a designated ~~downtown, village center, or neighborhood development area~~ center or neighborhood under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

* * *

(5) “Qualified façade improvement project” means the rehabilitation of the façade of a qualified building that contributes to the integrity of the designated ~~downtown, designated village center, or neighborhood development~~

area center or neighborhood. Façade improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places must be consistent with the Secretary of the Interior Standards, as determined by the Vermont Division for Historic Preservation.

* * *

(9) “State Board” means the Vermont ~~Downtown Development~~ Community Investment Board established pursuant to 24 V.S.A. chapter ~~76A~~ 139.

Sec. 69. 32 V.S.A. § 5930aa(6) is amended to read:

(6) “Qualified Flood Mitigation Project” means any combination of structural and nonstructural changes to a qualified building located within the flood hazard area as mapped by the Federal Emergency Management Agency that reduces or eliminates flood damage to the building or its contents. This may include relocation of HVAC, electrical, plumbing, and other building systems, and equipment above the flood level; repairs or reinforcement of foundation walls, including flood gates; or elevation of an entire eligible building above the flood level. Further eligible projects may be defined via program guidance. The project shall comply with the municipality’s adopted flood hazard bylaw, if applicable, and a certificate of completion shall be submitted by a registered engineer, architect, qualified contractor, or qualified local official to ~~the State Board program staff~~. Improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places shall be consistent with Secretary of the Interior’s Standards for Rehabilitation, as determined by the Vermont Division for Historic Preservation.

Sec. 70. 32 V.S.A. § 5930bb is amended to read:

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for a qualified project at any time before the completion of the qualified project.

(b) To qualify for any of the tax credits under this subchapter, expenditures for the qualified project must exceed \$5,000.00.

(c) Application shall be made in accordance with the guidelines set by the State Board.

(d) ~~Notwithstanding any other provision of this subchapter, qualified applicants may apply to the State Board at any time prior to June 30, 2013, to obtain a tax credit not otherwise available under subsections 5930cc(a)-(c) of this title of 10 percent of qualified expenditures resulting from damage caused~~

~~by a federally declared disaster in Vermont in 2011. The credit shall only be claimed against the taxpayer's State individual income tax under section 5822 of this title. To the extent that any allocated tax credit exceeds the taxpayer's tax liability for the first tax year in which the qualified project is completed, the taxpayer shall receive a refund equal to the unused portion of the tax credit. If within two years after the date of the credit allocation no claim for a tax credit or refund has been filed, the tax credit allocation shall be rescinded and recaptured pursuant to subdivision 5930ee(6) of this title. The total amount of tax credits available under this subsection shall not be more than \$500,000.00 and shall not be subject to the limitations contained in subdivision 5930ee(2) of this subchapter.~~

~~(e) Beginning on July 1, 2025, under this subchapter no new tax credit may be allocated by the State Board to a qualified building located in a neighborhood development area unless specific funds have been appropriated for that purpose.~~

Sec. 71. 32 V.S.A. § 5930cc is amended to read:

§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX
CREDITS

* * *

(c) Code improvement tax credit. The qualified applicant of a qualified code improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum credit of \$60,000.00 for the installation or improvement of a limited use or limited application elevator, a maximum tax credit of \$75,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, and a maximum tax credit of ~~\$50,000.00~~ \$100,000.00 for the combined costs of all other qualified code improvements.

(d) Flood Mitigation Tax Credit. The qualified applicant of a qualified flood mitigation project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of ~~\$75,000.00~~ \$100,000.00.

Second: By striking out Sec. 114, effective dates, in its entirety and inserting in lieu thereof a new Sec. 114 to read as follows:

Sec. 114. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Secs. 12 (10 V.S.A. § 6001), 13 (10 V.S.A. § 6086(a)(8)), and 20 (10 V.S.A. § 6001) shall take effect on December 31, 2026;

(2) Sec. 19 (10 V.S.A. § 6001(3)(A)(xii)) shall take effect on July 1, 2026;

(3) Sec. 68 (32 V.S.A. § 5930aa) shall take effect on January 1, 2027;
and

(4) Sec. 83 (grand list contents, 32 V.S.A. § 4152(a)) shall take effect on July 1, 2037.

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

“An act relating to land use planning, development, and housing.”

Which was agreed to.

Thereupon, the pending question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Natural Resources, as amended?, was agreed to.

Thereupon, third reading of the bill was ordered, on a roll call, Yeas 20, Nays 9.

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, Champion, 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, Norris, Starr, Weeks, Westman, Williams, Wrenner.

Adjournment

On motion of Senator Baruth, the Senate adjourned until eleven o'clock in the morning.

FRIDAY, MAY 3, 2024

The Senate was called to order by the President.