

**JOURNAL OF THE SENATE**  
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**STATE OF VERMONT**

**BUILDINGS AND GENERAL SERVICES,**

**MIDDLESEX, VERMONT**

**JOHN H. BLOOMER, JR.**  
**SECRETARY OF THE SENATE**

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**OPERATIONS MANAGER**  
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# Table of Contents

	Page
Journal of the Senate (volume 1).....	1
Journal of the Senate (volume 2).....	1269
Journal of the Joint Assemblies (volume 2) .....	2415
Appendix A – List of Senators, Officers and Staff of the Senate, and Committees of of the Senate (volume 2) .....	2455
Appendix B – Table of Bills (volume 2).....	2465
General Index (volume 2).....	2547

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**Devotional Exercises**

Devotional exercises were conducted by the Reverend Rick Swanson of Stowe.

**Message from the House No. 58**

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. 885.** An act relating to approval of an amendment to the charter of the Town of Berlin.

**H. 886.** An act relating to approval of amendments to the charter of the City of South Burlington.

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

The House has considered bills originating in the Senate of the following titles:

**S. 120.** An act relating to postsecondary schools and sexual misconduct protections.

**S. 196.** An act relating to the types of evidence permitted in weight of the evidence hearings.

And has passed the same in concurrence.

The House has considered bills originating in the Senate of the following titles:

**S. 58.** An act relating to public safety.

**S. 184.** An act relating to the temporary use of automated traffic law enforcement (ATLE) systems.

**S. 186.** An act relating to the systemic evaluation of recovery residences and recovery communities.

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

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

**J.R.S. 55.** Joint resolution relating to weekend adjournment on May 3, 2024.

And has adopted the same in concurrence.

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

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

**H. 649.** An act relating to the Vermont Truth and Reconciliation Commission.

And has severally concurred therein.

#### **Message from the House No. 59**

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

**H. 503.** An act relating to approval of amendments to the charter of the Town of St. Johnsbury.

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

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**

##### **H. 626.**

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 animal welfare.

#### **Bills Referred**

Pursuant to Temporary Rule 44A the following bills having failed to meet crossover and being released by the Committee on Rules was referred to the Committee on Government Operations.

**H. 881.** An act relating to approval of an amendment to the charter of the City of Burlington.

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**Bills Referred**

Pursuant to Temporary Rule 44A, the following bills having failed to meet crossover and having been granted an exception by the Committee on Rules were read the first time and referred as follows:

**H. 503.** An act relating to approval of amendments to the charter of the Town of St. Johnsbury.

To the Committee on Government Operations.

**H. 885.** An act relating to approval of an amendment to the charter of the Town of Berlin.

To the Committee on Government Operations.

**H. 886.** An act relating to approval of amendments to the charter of the City of South Burlington.

To the Committee on Government Operations.

**Proposal of Amendment; Consideration Interrupted by Adjournment****H. 882.**

Senator Ingalls, for the Committee on Institutions, to which was referred House bill entitled:

An act relating to capital construction and State bonding budget adjustment.

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:

\* \* \* Legislative Intent \* \* \*

Sec. 1. 2023 Acts and Resolves No. 69, Sec. 1 is amended to read:

Sec. 1. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly that of the \$122,767,376.00 \$130,606,224.00 authorized in this act, not more than \$56,520,325.00 shall be appropriated in the first year of the biennium, and the remainder shall be appropriated in the second year.

(b) It is the intent of the General Assembly that in the second year of the biennium, any amendments to the appropriations or authorities granted in this act shall take the form of the Capital Construction and State Bonding Adjustment Bill. It is the intent of the General Assembly that unless otherwise indicated, all appropriations in this act are subject to capital budget adjustment.

## \* \* \* Capital Appropriations \* \* \*

Sec. 2. 2023 Acts and Resolves No. 69, Sec. 2 is amended to read:

Sec. 2. STATE BUILDINGS

\* \* \*

(c) The following sums are appropriated in FY 2025:

(1) Statewide, major maintenance: \$8,500,000.00 \$8,501,999.00

\* \* \*

(3) Statewide, planning, reuse, and contingency:

\$425,000.00 \$455,000.00

(4) Middlesex, Middlesex Therapeutic Community Residence, master plan, design, and decommissioning: \$400,000.00 \$50,000.00

(5) ~~Montpelier, State House, replacement of historic finishes:~~

\$50,000.00 [Repealed.]

\* \* \*

(11) Statewide, R22 refrigerant phase out:

\$1,000,000.00 \$750,000.00

(12) Statewide, Art in State Buildings Program: \$75,000.00

(13) St. Albans, Northwest State Correctional Facility, roof replacement:

\$400,000.00

\* \* \*

Appropriation – FY 2024 \$23,126,244.00

Appropriation – FY 2025 ~~\$25,275,000.00~~ \$25,131,999.00

Total Appropriation – Section 2 ~~\$48,401,244.00~~ \$48,258,243.00

Sec. 3. 2023 Acts and Resolves No. 69, Sec. 3 is amended to read:

Sec. 3. HUMAN SERVICES

\* \* \*

(b) The following sums are appropriated in FY 2025 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:

(1) Northwest State Correctional Facility, booking expansion, planning, design, and construction: ~~\$2,500,000.00~~ \$2,600,000.00

\* \* \*

(3) Statewide, correctional facilities, HVAC systems, planning, design, and construction for upgrades and replacements:

~~\$700,000.00~~ \$5,150,000.00

(4) Statewide, correctional facilities, accessibility upgrades:

\$822,000.00

\* \* \*

Appropriation – FY 2024 \$1,800,000.00

Appropriation – FY 2025 ~~\$16,200,000.00~~ \$21,572,000.00

Total Appropriation – Section 3 ~~\$18,000,000.00~~ \$23,372,000.00

Sec. 4. 2023 Acts and Resolves No. 69, Sec. 4 is amended to read:

Sec. 4. COMMERCE AND COMMUNITY DEVELOPMENT

\* \* \*

(b) The following sums are appropriated in FY 2025 to the Agency of Commerce and Community Development for the following projects described in this subsection:

(1) Major maintenance at statewide historic sites:

~~\$500,000.00~~ \$700,000.00

\* \* \*

Appropriation – FY 2024 \$596,000.00

Appropriation – FY 2025 ~~\$596,000.00~~ \$796,000.00

Total Appropriation – Section 4 ~~\$1,192,000.00~~ \$1,392,000.00

Sec. 5. 2023 Acts and Resolves No. 69, Sec. 9 is amended to read:

Sec. 9. NATURAL RESOURCES

\* \* \*

(f) The following amounts are appropriated in FY 2025 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:

(1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure, and improvements to buildings, including conservation camps:

~~\$1,344,150.00~~ \$2,114,000.00

\* \* \*

Appropriation – FY 2024	\$6,997,081.00
Appropriation – FY 2025	\$7,497,051.00 \$8,266,901.00
Total Appropriation – Section 9	\$14,494,132.00 \$15,263,982.00

Sec. 6. 2023 Acts and Resolves No. 69, Sec. 10 is amended to read:

Sec. 10. CLEAN WATER INITIATIVES

\* \* \*

~~(e) The sum of \$6,000,000.00 is appropriated in FY 2025 to the Agency of Natural Resources for the Department of Environmental Conservation for clean water implementation projects. [Repealed.]~~

\* \* \*

(g) The sum of \$550,000.00 is appropriated in FY 2025 to the Agency of Agriculture, Food and Markets for water quality grants and contracts.

(h) The following sums are appropriated in FY 2025 to the Agency of Natural Resources for the following projects:

(1) the Clean Water State/EPA Revolving Loan Fund (CWSRF) match for the Water Pollution Control Fund: \$1,600,000.00

(2) municipal pollution control grants: \$3,300,000.00

(i) The sum of \$550,000.00 is appropriated in FY 2025 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for forestry access roads, recreation access roads, and water quality improvements.

(j) In FY 2024 and FY 2025, any agency that receives funding from this section shall consult with the State Treasurer to ensure that the projects are capital eligible.

Appropriation – FY 2024	\$9,885,000.00
Appropriation – FY 2025	\$6,000,000.00
Total Appropriation – Section 10	\$15,885,000.00

Sec. 7. 2023 Acts and Resolves No. 69, Sec. 15a is added to read:

Sec. 15a. DEPARTMENT OF LABOR

The sum of \$1,540,000.00 is appropriated in FY 2025 to the Department of Buildings and General Services for the Department of Labor for upgrades of mechanical systems and HVAC, life safety needs, and minor interior renovations at 5 Green Mountain Drive in Montpelier.



Sec. 8. 2023 Acts and Resolves No. 69, Sec. 15b is added to read:

Sec. 15b. GENERAL ASSEMBLY

The sum of \$100,000.00 is appropriated in FY 2025 to the General Assembly for the replacement of tables and chairs in the State House cafeteria.

\* \* \* Funding \* \* \*

Sec. 8a. 2023 Acts and Resolves No. 69, Sec. 16 is amended to read:

Sec. 16. REALLOCATION OF FUNDS; TRANSFER OF FUNDS

(a) The following sums are reallocated to the Department of Buildings and General Services from prior capital appropriations to defray expenditures authorized in Sec. 2 of this act:

\* \* \*

(5) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b) (various projects): ~~\$65,463.17~~ \$147,206.37

\* \* \*

(7) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 1(c)(5) (major maintenance): ~~\$93,549.00~~ \$116,671.15

\* \* \*

(10) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2(c) (various projects): ~~\$24,363.06~~ \$476,725.66

\* \* \*

(13) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 2(b)(3) (major maintenance): ~~\$32,780.00~~ \$439,889.66

\* \* \*

(17) of the amount appropriated in 2012 Acts and Resolves No. 40, Sec. 2(b)(4) (Statewide, major maintenance): \$9,606.45

(18) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 2(b)(4) (Statewide, major maintenance): \$7,207.90

(19) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2(b)(5) (Montpelier, State House, Dome, Drum, and Ceres, design, permitting, construction, restoration, renovation, and lighting):

\$38,525.00

(20) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 11(b)(4) (municipal pollution control grants, pollution control projects and planning advances for feasibility studies, new projects):

\$4,498.17

(21) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 11(f)(2) (EcoSystem restoration and protection):

\$4,298.22

(22) of the amount appropriated in 2018 Acts and Resolves No. 190, Sec. 8(m) (Downtown Transportation Fund pilot project):

\$9,150.00

(23) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 2(b)(9) (Newport, Northeast State Correctional Facility, direct digital HVAC control system replacement):

\$26,951.52

(24) of the amount appropriated in 2021 Acts and Resolves No. 50, Sec. 2(b)(20), as added by 2022 Acts and Resolves No. 180, Sec. 2 (Windsor, former Southeast State Correctional Facility, necessary demolition, salvage, dismantling, and improvements to facilitate future use of the facility):

\$378,180.00

\* \* \*

(h) From prior year bond issuance cost estimates allocated to the entities to which funds were appropriated and for which bonding was required as the source of funds, pursuant to 32 V.S.A. § 954, \$1,148,251.79 is reallocated to defray expenditures authorized by this act.

Total Reallocations and Transfers – Section 16

\$14,767,376.32 \$17,358,383.85

Sec. 9. 2023 Acts and Resolves No. 69, Sec. 17 is amended to read:

Sec. 17. GENERAL OBLIGATION BONDS AND APPROPRIATIONS

(a) The State Treasurer is authorized to issue general obligation bonds in the amount of \$108,000,000.00 for the purpose of funding the appropriations made in Secs. 2–15b of this act. The State Treasurer, with the approval of the Governor, shall determine the appropriate form and maturity of the bonds authorized by this section consistent with the underlying nature of the appropriation to be funded. The State Treasurer shall allocate the estimated cost of bond issuance or issuances to the entities to which funds are appropriated pursuant to this section and for which bonding is required as the source of funds, pursuant to 32 V.S.A. § 954.

(b) The State Treasurer is authorized to issue additional general obligation bonds in the amount of \$5,247,838.90 that were previously appropriated but

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unissued under 2023 Acts and Resolves No. 69 for the purposes of funding the appropriations in this act.

Total Revenues – Section 17                                   \$108,000,000.00 \$113,247,838.90

Sec. 10. 2023 Acts and Resolves No. 69, Sec. 18 is amended to read:

Sec. 18. FY 2024 AND 2025; CAPITAL PROJECTS; FY 2024  
APPROPRIATIONS ACT; INTENT; AUTHORIZATIONS

\* \* \*

(c) Authorizations. In FY 2024, spending authority for the following capital projects are authorized as follows:

\* \* \*

(7) ~~the Department of Buildings and General Services is authorized to spend \$600,000.00 for planning for the boiler replacement at the Northern State Correctional Facility in Newport; [Repealed.]~~

\* \* \*

(9) ~~the Department of Buildings and General Services is authorized to spend \$600,000.00 for the Agency of Human Services for the planning and design of the booking expansion at the Northwest State Correctional Facility; [Repealed.]~~

(10) the Department of Buildings and General Services is authorized to spend ~~\$1,000,000.00~~ \$750,000.00 for the Agency of Human Services for the planning and design of the Department for Children and Families' short-term stabilization facility;

(11) the Department of Buildings and General Services is authorized to spend \$750,000.00 for the Judiciary for design, renovations, and land acquisition at the Washington County Superior Courthouse in Barre;

\* \* \*

(16) the Vermont State Colleges is authorized to spend ~~\$7,500,000.00~~ \$6,500,000.00 for construction, renovation, and major maintenance at any facility owned or operated in the State by the Vermont State Colleges; infrastructure transformation planning; and the planning, design, and construction of Green Hall and Vail Hall;

\* \* \*

(19) the Agency of Natural Resources is authorized to spend \$4,000,000.00 for the Department of Environmental Conservation for the Municipal Pollution Control Grants for pollution control projects and planning advances for feasibility studies; and

(20) the Agency of Natural Resources is authorized to spend \$3,000,000.00 for the Department of Forests, Parks and Recreation for the maintenance facilities at the Gifford Woods State Park and Groton Forest State Park; ~~and.~~

~~(21) the Agency of Natural Resources is authorized to spend \$800,000.00 for the Department of Fish and Wildlife for infrastructure maintenance and improvements of the Department's buildings, including conservation camps. [Repealed.]~~

(d) ~~FY 2025 capital projects authorizations. To the extent general funds are available to appropriate to the Fund established in 32 V.S.A. § 1001b in FY 2025, it is the intent of the General Assembly that the following capital projects receive funding from the Fund~~ In FY 2024, spending authority for the following capital projects are authorized as follows:

(1) the sum of ~~\$250,000.00~~ \$220,000.00 to the Department of Buildings and General Services for planning, reuse, and contingency;

\* \* \*

(3) the sum of ~~\$2,000,000.00~~ \$1,500,000.00 to the Department of Buildings and General Services for the renovation of the interior HVAC steam lines at 120 State Street in Montpelier;

(4) the sum of ~~\$1,000,000.00~~ \$850,000.00 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) the sum of ~~\$1,000,000.00~~ \$850,000.00 to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Special Teams Facility and Storage;

(6) the sum of ~~\$1,000,000.00~~ \$850,000.00 to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Rutland Field Station;

\* \* \*

~~(8) the sum of \$500,000.00 to the Department of Buildings and General Services for the Newport courthouse replacement, planning, and design; [Repealed.]~~

(9) the sum of \$250,000.00 to the Department of Buildings and General Services for planning for the 133-109 State Street tunnel waterproofing and Aiken Avenue reconstruction; ~~and~~

(10) the sum of \$200,000.00 to the Department of Buildings and General Services for the renovation of the stack area, HVAC upgrades, and the elevator replacement at 111 State Street;

(11) the sum of \$1,000,000.00 to the Department of Buildings and General Services for roof replacement and brick façade repairs at the McFarland State Office Building in Barre; and

(12) the sum of \$30,000.00 to the Department of Fish and Wildlife for the Lake Champlain International fishing derby.

\* \* \*

\* \* \* Policy \* \* \*

\* \* \* Agency of Natural Resources \* \* \*

Sec. 11. 10 V.S.A. § 2603 is amended to read:

§ 2603. POWERS AND DUTIES: COMMISSIONER

\* \* \*

~~(g) The Commissioner shall consult with and receive approval from the Commissioner of Buildings and General Services concerning proposed construction or renovation of individual projects involving capital improvements which are expected, either in phases or in total, to cost more than \$200,000.00. The Department of Environmental Conservation shall manage all contracts for engineering services for capital improvements made by the Department of Forests, Parks and Recreation. The Department of Environmental Conservation Facilities Engineering Section:~~

(1) may execute and consult on design for the Department of Forests, Parks and Recreation;

(2) shall provide professional engineering services for compliance with environmental operating permits; and

(3) shall be the custodian of all plans of record for work executed by the Department of Forests, Parks and Recreation, regardless of the source and designer of record.

\* \* \*

Sec. 12. LEGISLATIVE INTENT; SALISBURY FISH HATCHERY

It is the intent of the General Assembly that:

(1) The State shall maintain or increase its current fish stocking capacity.

(2) To the extent practicable, the Salisbury fish hatchery shall, subject to annual appropriations, continue operating through December 31, 2027.

(3) The Agency of Natural Resources shall examine potential options for continuing the operation of the Salisbury fish hatchery after fiscal year 2027, including maintaining any necessary permits.

(4) The Agency of Natural Resources shall examine options for maintaining or increasing the State's current fish stocking capacity following the potential closure of the Salisbury fish hatchery, including:

(A) replacing the stocking capacity of the Salisbury fish hatchery with increased stocking capacity at one or more State-operated or federally operated fish hatcheries;

(B) transferring fish broodstock from the Salisbury hatchery to other State fish hatcheries;

(C) establishing additional egg production at other State fish hatcheries to compensate for any lost egg production; and

(D) utilizing other innovative or more cost-effective approaches for replacing any lost stocking capacity.

(5) The Agency of Natural Resources shall examine options for limiting any negative economic impact from the potential closure of the Salisbury fish hatchery, including impacts from reduced fish stocking on fishing and tourism, and impacts from the loss of staff positions at the Salisbury fish hatchery.

(6) The Salisbury fish hatchery shall not close without prior approval of the General Assembly, which shall be provided if:

(A) the hatchery is unable to secure the necessary permits to continue operating after December 31, 2027; or

(B) the stocking capacity of the hatchery can be replaced in a manner that is more cost-effective than the up-front and operating costs of the capital improvements necessary for the hatchery to obtain the necessary permits to continue operating after December 31, 2027.

### Sec. 13. SALISBURY FISH HATCHERY; ANNUAL REPORT

On or before January 15 of 2025, 2026, and 2027, the Secretary of Natural Resources shall submit a written report to the Senate Committees on Institutions and on Natural Resources and Energy and the House Committees on Corrections and Institutions and on Environment and Energy regarding efforts undertaken and progress made with respect to sustaining the fish production and stocking capacity of Vermont's State-operated fish hatcheries, including:

(1) efforts to maintain permits necessary to continue operating the Salisbury fish hatchery after December 31, 2027;

(2) the potential for transferring the stocking capacity of the Salisbury fish hatchery to one or more State-operated or federally operated fish hatcheries, including estimated costs;

(3) the potential for transferring the fish broodstock of the Salisbury fish hatchery to one or more State-operated fish hatcheries for the purpose of replacing the Salisbury fish hatchery's egg production, including estimated costs;

(4) the potential to employ innovative or more cost-effective approaches than those identified pursuant to subdivisions (1)–(3) of this section to replace any lost stocking capacity due to the closure of the Salisbury fish hatchery, including estimated costs; and

(5) options for limiting negative economic impact of the potential closure of the Salisbury fish hatchery after December 31, 2027, including impacts from reduced fish stocking on fishing and tourism, and impacts from the loss of staff positions at the Salisbury fish hatchery.

#### Sec. 14. APPROPRIATION

In addition to other monies appropriated to the Agency of Natural Resources in fiscal year 2025, the amount of \$550,000.00 is appropriated from the General Fund for purposes of operating the Salisbury fish hatchery during fiscal year 2025.

\* \* \* Buildings and General Services \* \* \*

Sec. 15. 2023 Acts and Resolves No. 69, Sec. 22 is amended to read:

#### Sec. 22. SALE OF PROPERTIES

\* \* \*

(c) 108 Cherry Street. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to sell the property located at 108 Cherry Street in the City of Burlington. The Commissioner shall first offer in writing to the City the right to purchase the property.

\* \* \*

(3) Notwithstanding 29 V.S.A. § 166(d) and 29 V.S.A. § 160, of the proceeds received by the State for the sale of the property located at 108 Cherry Street in the City of Burlington, \$6,242,500.00 shall be deposited into the Property Management Revolving Fund (58700) to recover the deficit

incurred in the fund as a result of the original purchase of the property and, notwithstanding 29 V.S.A. § 168(c), \$293,753.63 shall be deposited into the State Energy Revolving Fund (59700) to repay debt outstanding for loans for energy improvement projects on the property.

Sec. 16. SALE OF FORMER WILLISTON STATE POLICE BARRACKS;  
INTENT; REPORT

It is the intent of the General Assembly that the Town of Williston shall report to the Senate Committee on Institutions and the House Committee on Corrections and Institutions in January 2025 regarding:

(1) whether the town desires to purchase the property; and

(2) if so:

(A) the feasibility of the Town purchasing the property, including any requested conditions on the sale of the property; and

(B) the potential future uses of the property envisioned by the Town.

Sec. 17. 2017 Acts and Resolves No. 84, Sec. 36 is amended to read:

Sec. 36. PUBLIC SAFETY FIELD STATION; WILLISTON

\* \* \*

(b) The Beginning on July 1, 2025, the Commissioner of Buildings and General Services is authorized to sell the Williston Public Safety Field Station and adjacent land pursuant to the requirements of 29 V.S.A. § 166. The proceeds from the sale shall be appropriated to future capital construction projects.

Sec. 18. 2021 Acts and Resolves No. 50, Sec. 34 is amended to read:

Sec. 34. WILLISTON PUBLIC SAFETY BARRACKS; SALE

The Beginning on July 1, 2025, the Commissioner of Buildings and General Services is authorized to sell the property known as the Williston Public Safety Barracks (State Office Building) located at 2777 St. George Road in Williston, Vermont pursuant to the requirements of 29 V.S.A. § 166. The proceeds from the sale shall be appropriated to future capital construction projects.

Sec. 19. 29 V.S.A. § 152 is amended to read:

§ 152. DUTIES OF COMMISSIONER

(a) The Commissioner of Buildings and General Services, in addition to the duties expressly set forth elsewhere by law, shall have the authority to:

\* \* \*



(3) Prepare or cause to be prepared plans and specifications for construction and repair on all State-owned buildings:

\* \* \*

(B) For which no specific appropriations have been made by the General Assembly or the Emergency Board. The Commissioner may, with the approval of the Secretary of Administration, acquire an option, ~~for a price not to exceed \$75,000.00,~~ on an individual property without prior legislative approval, for a price not to exceed five percent of the listed sale price of the property, provided the option contains a provision stating that purchase of the property shall occur only upon the approval of the General Assembly and the appropriation of funds for this purpose. The State Treasurer is authorized to advance a sum not to exceed ~~\$75,000.00~~ five percent of the listed sale price of the property, upon warrants drawn by the Commissioner of Finance and Management for the purpose of purchasing an option on a property pursuant to this subdivision.

\* \* \*

(19) Transfer any unexpended project balances between projects that are authorized within the same section of ~~an annual~~ a biennial capital construction act.

(20) Transfer any unexpended project balances between projects that are authorized within different capital construction acts, with the approval of the Secretary of Administration, when the unexpended project balance does not exceed ~~\$100,000.00~~ \$200,000.00, or with the additional approval of the Emergency Board when such balance exceeds ~~\$100,000.00~~ \$200,000.00.

\* \* \*

(22) Use the contingency fund appropriation to cover shortfalls for any project approved in any capital construction act; however, transfers from the contingency in excess of ~~\$50,000.00~~ \$100,000.00 shall be done with the approval of the Secretary of Administration.

\* \* \*

Sec. 20. 29 V.S.A. § 166 is amended to read:

§ 166. SELLING OR RENTING STATE PROPERTY

\* \* \*

(b)(1) Upon authorization by the General Assembly, which may be granted by resolution, and with the advice and consent of the Governor, the Commissioner of Buildings and General Services may sell real estate owned by the State. ~~Such~~ The property shall be sold to the highest bidder ~~therefor~~ at

public auction or upon sealed bids ~~in~~ at the discretion of the Commissioner of Buildings and General Services, who may reject any or all bids, or the Commissioner is authorized to list the sale of property with a real estate agent licensed by the State. In no event shall the property be sold for less than fair market value as determined by the Commissioner in consultation with an independent real estate broker or appraiser, or both, retained by the Commissioner, unless otherwise authorized by the General Assembly.

\* \* \*

Sec. 21. SOUTHEAST STATE CORRECTIONAL FACILITY; POTENTIAL LAND TRANSFER; REPORT

(a) The Department of Fish and Wildlife, in consultation with the Department of Buildings and General Services, shall evaluate the potential transfer of a portion of the former Southeast State Correctional Facility property to the Department of Fish and Wildlife for inclusion in the adjacent wildlife management area. The evaluation shall:

(1) delineate the portions of the former Southeast State Correctional Facility property that could be used for future redevelopment of the site, taking into account any necessary setbacks from wetlands, streams, or wildlife habitat;

(2) identify any portions of the property that could be transferred into the adjacent wildlife management area and potential impacts on the redevelopment or sale of the property from the transfer of the identified portions; and

(3) identify any rights of way or easements that will be necessary for the potential future redevelopment of any retained portion of the property.

(b) On or before January 15, 2025, the Commissioner of Fish and Wildlife and the Commissioner of Buildings and General Services shall report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions regarding the evaluation and any legislative action that may be necessary to facilitate a proposed transfer or redevelopment of the property.

Sec. 22. FORENSIC FACILITY; NEEDS; REVIEW; REPORT

(a) The Commissioner of Buildings and General Services, in consultation with the Commissioners of Mental Health and of Disabilities, Aging, and Independent Living, shall review the programming needs and facility requirements of individuals who will be housed in a proposed forensic facility. The review shall be performed during fiscal year 2025 using funds from the Department of Buildings and General Service's base appropriation as the Commissioner determines to be appropriate. The Commissioner shall report,

on or before February 1, 2025, to the Senate Committees on Appropriations and on Institutions and to the House Committees on Appropriations and on Corrections and Institutions regarding the findings of the review.

(b) It is the intent of the General Assembly that the fiscal year 2026 capital construction and State bonding act shall include funding for the design and development of the proposed forensic facility.

Sec. 23. DEPARTMENT FOR CHILDREN AND FAMILIES YOUTH  
SHORT-TERM STABILIZATION AND TREATMENT CENTER;  
LONG-TERM LEASE; AUTHORIZATION

Notwithstanding any provisions of 29 V.S.A. § 165(h) or 29 V.S.A. § 166(a) to the contrary, the Commissioner of Buildings and General Services is authorized to enter into a long-term ground lease agreement at a below-market rate for an initial term of not more than 20 years with not more than four five-year renewal options for the Department for Children and Families Youth Short Term Stabilization and Treatment Center. At the end of the term and any renewals, the ground lease shall terminate.

Sec. 24. CAPITOL COMPLEX FLOOD RECOVERY; SPECIAL  
COMMITTEE

(a) The Special Committee on Capitol Complex Flood Recovery is established. The Special Committee shall comprise the Joint Fiscal Committee and the chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(b)(1) The Special Committee shall meet at the call of the chair of the Joint Fiscal Committee, in consultation with the chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(2)(A) The Special Committee shall meet to review and recommend alterations to proposals and plans for Capitol Complex flood recovery.

(B) The Special Committee may, as necessary, grant approval to proposals and plans for Capitol Complex flood recovery.

(c) The Commissioner of Buildings and General Services shall provide quarterly updates to the Special Committee on the planning process for Capitol Complex flood recovery.

(d) The Special Committee shall be entitled to per diem and expenses as provided in 2 V.S.A. § 23.

Sec. 25. STATE HOUSE; IMPROVEMENTS; DESIGN; SPECIAL  
COMMITTEE

(a)(1) To allow the Department of Buildings and General Services to begin the design development phase, it is the intent of the General Assembly to approve a schematic design plan for accessibility, life safety, and mechanical systems improvements to the State House identified in Scenario 1, as approved by the Joint Legislative Management Committee on December 15, 2023 and excluding any improvements that would impact committee rooms.

(2) The Commissioner of Buildings and General Services shall provide the Special Committee established pursuant to subsection (b) of this section with a draft schematic design plan for the work identified pursuant to subdivision (1) of this subsection on or before July 15, 2024 and a final schematic design plan on or before September 15, 2024.

(b)(1) A Special Committee to be called the Special Committee on State House Improvements consisting of the Joint Legislative Management Committee and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions is established.

(2) The Special Committee is authorized to meet to:

(A) review and recommend alterations to the draft schematic design to be submitted on or before July 15, 2024 as described in subsection (a) of this section at a regularly scheduled Joint Legislative Management Committee meeting; and

(B) review and approve the final schematic design to be submitted on or before September 15, 2024 as described in subsection (a) of this section at a regularly scheduled Joint Legislative Management Committee meeting.

(c) In making its decision, the Special Committee shall consider:

(1) how the design impacts the ability of the General Assembly to conduct legislative business;

(2) whether the design allows for public access to citizens;

(3) the financial consequences to the State of approval or disapproval of the proposal; and

(4) whether any potential alternatives are available.

(d) The Special Committee shall be entitled to per diem and expenses as provided in 2 V.S.A. § 23.

\* \* \* Corrections \* \* \*

Sec. 26. 2023 Acts and Resolves No. 69, Sec. 28 is amended to read:

Sec. 28. REPLACEMENT WOMEN'S FACILITIES; SITE LOCATION PROPOSAL; DESIGN INTENT

(a) Site location proposal.

(1)(A) ~~Site location proposal.~~ On or before January 15, 2024 2025, the Commissioner of Buildings and General Services shall submit a site location proposal for replacement women's facilities for justice-involved women to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(B) It is the intent of the General Assembly that:

(i) when evaluating site locations, preference shall be given to State-owned property; and

(ii) the site location, regardless of whether it is on State-owned land or land proposed to be purchased by the State, shall be:

(I) near support services, programming, and work opportunities needed to facilitate successful reentry into the community; and

(II) in a reasonable proximity to the existing workforce to facilitate retention and continuity of experienced staff.

(C)(i) The proposal shall consider both colocating facilities in a campus-style approach for operational efficiencies and the need for separate facilities at different locations.

(ii) The proposal shall consider the proximity of existing and potential future public transit services.

\* \* \*

Sec. 27. REPLACEMENT WOMEN'S FACILITIES; AUTHORITY TO PURCHASE LAND; INTENT; REPORT

(a) Contingent authority to purchase land. In the event that the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, is unable to identify appropriate State-owned site locations for the replacement facilities for justice-involved women, the Commissioner is authorized to purchase land in a location that is:

(1) near support services, programming, and work opportunities needed to facilitate successful reentry into the community;

(2) in a reasonable proximity to the existing workforce to facilitate retention and continuity of experienced staff; and

(3) near existing or potential future public transit services.

(b) Reports. Beginning in July 2024 and ending in January 2025, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, shall report at least once per calendar quarter to

the House Committee on Corrections and Institutions and the Senate Committee on Institutions regarding progress in fulfilling the requirements of 2023 Acts and Resolves No. 69, Sec. 28 and subsection (a) of this section.

Sec. 28. POTENTIAL REUSE OF CHITTENDEN REGIONAL  
CORRECTIONAL FACILITY SITE; FEASIBILITY; REPORT

(a) On or before December 15, 2025, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, shall report to the House Committee on Corrections and Institutions and the Senate Committees on Institutions and on Judiciary regarding the feasibility of utilizing the site of the Chittenden Regional Correctional Facility for a reentry facility for eligible justice-involved men following the construction of replacement facilities for justice-involved women.

(b) The report shall:

(1)(A) evaluate the condition and structure of the existing facility to determine if it can be repurposed as a reentry facility in a manner that supports the programmatic goals of the Department of Corrections using evidence-based principles for wellness environments for supporting trauma-informed practices; and

(B) if it can be repurposed as a reentry facility, the improvements and other work necessary to support the programmatic goals of the Department of Corrections using evidence-based principles for wellness environments for supporting trauma-informed practices and the estimated cost of performing the work;

(2)(A) evaluate whether a new reentry facility could be constructed on the site following the demolition of some or all of the existing facility;

(B) identify potential designs for a newly constructed reentry facility at the site that supports the programmatic goals of the Department of Corrections using evidence-based principles for wellness environments for supporting trauma-informed practices; and

(C) identify any site work, improvements, and other work necessary to construct a new reentry facility on the site, including the cost of any such work; and

(3) if the existing facility cannot be repurposed as a reentry facility and a new reentry facility cannot be constructed on the site, identify other potential sites for a male reentry facility that are near:

(A) support services, programming, and work opportunities needed to facilitate successful reentry into the community; and

(B) existing or potential future public transit services.

(c) As used in this section, “reentry facility” means a facility at which incarcerated individuals prepare to transition back into the community following release. Reentry facilities provide services, or enable incarcerated individuals to obtain services, that will facilitate the transition back into the community, including career and housing supports, vocational education, job placement, mental health counseling, substance use disorder treatment or recovery services, financial education, assistance with obtaining public benefits, and other similar services.

(d) It is the intent of the General Assembly that the fiscal year 2026 capital construction and State bonding act shall include funding for the preparation of the report required pursuant to this section.

\* \* \* Judiciary \* \* \*

Sec. 29. BARRE; WASHINGTON COUNTY SUPERIOR COURTHOUSE;  
LAND ACQUISITION; AUTHORIZATION; COMMUNICATION  
WITH CITY

(a) The Commissioner of Buildings and General Services, in consultation with the Judiciary, is authorized to use the amounts appropriated in 2023 Acts and Resolves No. 69, Sec. 18(c)(11) and (d)(4) to purchase land as needed to renovate or replace the Washington County Superior Courthouse.

(b) The Commissioner shall:

(1) consult with the City of Barre on potential options for renovating or replacing the Washington County Superior Courthouse in Barre; and

(2) provide updates to the City on progress made with respect to renovating or replacing the Courthouse.

Sec. 30. WHITE RIVER JUNCTION; WINDSOR COUNTY SUPERIOR  
COURTHOUSE; TEMPORARY RELOCATION OF EMPLOYEES

It is the intent of the General Assembly that following completion of the renovations to the Windsor County Superior Courthouse in White River Junction, the offices of the Windsor County State’s Attorney shall be relocated to the leased office space at 55 Railroad Row that is being used as temporary office space for Courthouse employees during the renovation.

\* \* \* Effective Date \* \* \*

Sec. 31. EFFECTIVE DATE

This act shall take effect on passage.

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

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Institutions with the following amendments thereto:

First: By striking out Sec. 8, adding 2023 Acts and Resolves No. 69, Sec. 15b, General Assembly, in its entirety and inserting in lieu thereof a new Sec. 8 to read as follows:

Sec. 8. 2023 Acts and Resolves No. 69, Sec. 15b is added to read:

Sec. 15b. SERGEANT AT ARMS

The sum of \$100,000.00 is appropriated in FY 2025 to the Sergeant at Arms for the replacement of tables and chairs in the State House cafeteria.

Second: By striking out Sec. 14, appropriation, in its entirety and inserting in lieu thereof a new Sec. 14 to read as follows:

Sec. 14. [Deleted.]

Third: After Sec. 22, forensic facility; needs; review; report, by adding a new section to be Sec. 22a to read as follows:

Sec. 22a. SOUTHEAST STATE CORRECTIONAL FACILITY;  
POTENTIAL REUSE BY STATE; INTENT

It is the intent of the General Assembly that the parcel on which the former Southeast State Correctional Facility was located shall not be sold unless the State has determined that the site is not needed for use as the location for a State facility or other State purpose.

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 Institutions 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 Institutions, as amended?, Senator Ingalls moved to amend the proposal of amendment of the Committee on Institutions, as amended, by inserting a new Sec. 21a to read as follows:



Sec. 21a. SOUTHERN STATE CORRECTIONAL FACILITY; TRANSFER OF PARCEL

(a) The Commissioner of Buildings and General Services is authorized to transfer to the Town of Springfield a portion of the Southern State Correctional Facility Property consisting of approximately 10 acres to be used as the location of a new Town garage.

(b) The transfer shall be contingent on:

(1) the State obtaining State and local zoning and subdivision approvals that are necessary for the transfer; and

(2) the negotiation of an agreement between the State and the Town of Springfield regarding the maintenance and upkeep of the access road and the water and sewer service lines for the Correctional Facility and the transferred parcel.

(c) The transferred parcel shall not include any brownfields on the Southern State Correctional Facility Property.

(d) In the event the Town does not utilize the transferred parcel for a new Town garage, the Town shall consult with the Commissioner of Buildings and General Services regarding any proposed alternative uses of the parcel.

(e) The transfer authority provided pursuant to this section shall expire on July 1, 2027.

Thereupon, pending the question, Shall the proposal of amendment recommended by the Committee on Institutions, as amended, be amended as moved by Senator Ingalls?, on motion of Senator Baruth, the Senate adjourned until 1:00 p.m.

**Call to Order**

The Senate was called to order by the President.

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

**H. 882.**

Consideration was resumed on House bill entitled:

An act relating to capital construction and State bonding budget adjustment.

Thereupon, the pending the question, Shall the proposal of amendment recommended by the Committee on Institutions, as amended, be amended as recommended by Senator Ingalls?, was agreed to.

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

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

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

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

**Proposal of Amendment; Bill Passed in Concurrence with  
Proposal of Amendment**

**H. 687.**

House bill entitled:

An act relating to community resilience and biodiversity protection through land use.

Was taken up.

Thereupon, pending third reading of the bill, Senators Bray and Ram Hinsdale moved to amend the Senate proposal of amendment as follows:

First: In Sec. 5, 10 V.S.A. § 6027, by striking out subsection (h) in its entirety and inserting in lieu thereof a new subsection (h) to read as follows:

(h) The Natural Resources Board may hear appeals of fee refund requests under section 6083a of this title.

Second: In Sec. 114, effective dates, by striking out subdivisions (3) and (4) in their entireties and inserting in lieu thereof the following:

(3) Sec. 68 (32 V.S.A. § 5930aa) shall take effect on January 1, 2027;

(4) Sec. 83 (grand list contents, 32 V.S.A. § 4152(a)) shall take effect on July 1, 2037; and

(5) Sec. 73 (property transfer tax) shall take effect on August 1, 2024.

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Harrison moved to amend the Senate proposal of amendment by adding a new section to be Sec. 37a to read as follows:

Sec. 37a. TRANSPORTATION SUPPORT STUDY

(a) On or before December 15, 2025, the Agency of Transportation, after consultation with the Department of Housing and Community Development, the Vermont League of Cities and Towns, the Vermont Association of Planning and Development Agencies, and the Natural Resources Board, shall review the revenue received by the State, both current and projected, for transit support through Act 250 and the revenue and benefits to developers, to the State, and to the community received through transportation impact fees, and shall suggest processes to preserve these revenues, requirements, and benefits.

(b) The Agency shall consider including transportation demand management and subsidy requirements in development review authority for municipalities, the authority or ability of the Agency of Transportation to enforce transportation impact fees as part of the municipal process, and any other proposals.

(c) The Agency shall hear from a diverse group of stakeholders including developers, local government officials, alternative transportation organizations, transit providers, and financial institutions.

(d) On or before December 15, 2025, the Agency of Transportation shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs, on Natural Resources and Energy, and on Transportation and the House Committees on Transportation and on Environment and Energy with its findings and recommendations.

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Chittenden moved to amend the Senate proposal of amendment by striking Sec. 93. [Deleted.] and inserting in lieu thereof a new Sec. 93 to read as follows:

\* \* \* Housing Accountability \* \* \*

Sec. 93. VERMONT STATEWIDE AND REGIONAL HOUSING  
TARGETS PROGRESS; REPORT

(a) Upon publication of the Statewide Housing Needs Assessment setting out the statewide and regional housing targets required pursuant to 24 V.S.A. § 4348a, the Department of Housing and Community Development, in coordination with regional planning commissions, shall develop metrics for measuring progress toward the statewide and regional housing targets, including:

(1) for any housing target, a timeline separating the target into discrete steps with specific deadlines; and

(2) for any regional housing target:

(A) a rate measuring progress toward the total needed housing investment published in the regional plan for a region subject to the regional housing target by separate measure for each of price, quality, unit size or type, and zoning district, as applicable; and

(B) steps taken to achieve any actions recommended to satisfy the regional housing needs published in the regional plan for a region subject to the regional housing target.

(b) The Department shall employ the metrics developed under subsection (a) of this section to set annual goals for achieving the statewide and regional housing targets required pursuant to 24 V.S.A. § 4348a.

(c) Within one year following publication of the Statewide Housing Needs Assessment setting out the statewide and regional housing targets required pursuant to 24 V.S.A. § 4348a and annually thereafter through 2030, the Department shall publish a report on progress toward the statewide and regional housing targets, including:

(1)(A) annual and cumulative progress toward the statewide and regional housing targets based on the metrics developed pursuant to subsection (a) of this section; and

(B) for any statewide or regional housing target the Department determines may not practicably be measured by any of the metrics developed pursuant to subsection (a) of this section, an explanation that the statewide or regional housing target may not practicably be measured by the Department's metrics and a description of the status of progress toward the statewide or regional housing target;

(2) progress toward the annual goals for the year of publication set pursuant to subsection (b) of this section;

(3) an overall assessment whether, in the Department's discretion, annual progress toward the statewide and regional housing targets is satisfactory based on the measures under subdivisions (1) and (2) of this subsection and giving due consideration to the complete timeline for achieving the statewide and regional housing targets; and

(4) if the Department determines pursuant to subdivision (3) of this subsection that annual progress toward the statewide and regional housing targets is not satisfactory, recommendations for accelerating progress. The Department shall specifically consider whether the creation of a process that permits developers to propose noncompliant housing developments under certain conditions, like a builder's remedy, or a cause of action would be likely to accelerate progress.

(d) The Department shall have broad discretion to determine any timeline or annual goal under subsection (a) or (b) of this section, provided the Department determines that any step in a timeline or annual goal, when considered together with the other steps or annual goals, will reasonably lead to achievement of the statewide or regional housing targets published in the Statewide Housing Needs Assessment.

(e) If the statewide and regional housing targets are not published in the Statewide Housing Needs Assessment published in 2024, the Department shall develop and publish the required housing targets within six months following publication of the Statewide Housing Needs Assessment. Any reference to the statewide and regional housing targets published in the Statewide Housing Needs Assessment in this section shall be deemed to refer to the housing targets published under this subsection, and any reference to the date of publication of the Statewide Housing Needs Assessment in this section shall be deemed to refer to the date of publication of the housing targets published under this subsection.

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Hashim moved to amend the Senate proposal of amendment in Sec. 61, 10 V.S.A. § 8505, in subsection (k), by striking out subdivision (4) in its entirety and inserting in lieu thereof a new subdivision (4) to read as follows:

(4) it shall be the goal of the Environmental Division to issue a decision on a case regarding an appeal of an appropriate municipal panel decision under 24 V.S.A. chapter 117 within 90 days following the close of the hearing.

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Brock moved to amend the Senate proposal of amendment as follows:

First: In Sec. 2, 10 V.S.A. § 6021, by striking out subsection (c) and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Removal. Notwithstanding the provisions of 3 V.S.A. § 2004, members shall be removable for cause, except the Chair, who shall serve at the pleasure of the Governor.

Second: In Sec. 80, new construction or rehabilitation in flood-impacted communities, in section 3870, by striking out subdivision (7) in its entirety and inserting in lieu thereof a new subdivision (7) to read as follows:

(7)(A) “Qualifying property” means a parcel with a structure that is:

(i) located within, or within one half of a mile of, 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 outside a tax increment financing district established under 24 V.S.A. chapter 53, subchapter 5. By vote of the legislative body, a municipality with a tax increment financing district, or a municipality applying for a tax increment financing district, may elect to deem properties within a tax increment financing district as “qualifying property” under this subdivision (C), 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.

(i) For a municipality that elects to consider properties within an existing tax increment financing district under this subdivision (C) as “qualifying property,” the municipality shall submit a substantial change request and file an alternate financial plan to the Vermont Economic Progress Council, which shall detail the effect of this action for approval by the Council.

(ii) For a municipality that elects to consider properties within a tax increment financing district under this subdivision (C) as “qualifying property” at the time of creation of a new district, prior to implementation of an exemption under this chapter, the municipality shall present a financial plan to the Vermont Economic Progress Council, which shall detail the impact of the action on approval by the Council.

Pending the question, Shall the Senate proposal of amendment be amended as recommended by Senator Brock?, Senator Vyhovsky requested the question be divided.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as recommended by Senator Brock, in the first instance? Senator Brock moved to substituted the first instance of amendment as follows:

First: In Sec. 2, 10 V.S.A. § 6021, by striking out subsection (c) and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Removal. Notwithstanding the provisions of 3 V.S.A. § 2004, members shall be removable for cause, however the Chair shall only be removable for cause by the Governor.

Which was disagreed to.

Thereupon, the pending question, Shall the Senate proposal of amendment be amended as recommended by Senator Brock, in the first instance?, was disagreed to.

Thereupon, the pending question, Shall the Senate proposal of amendment be amended as recommended by Senator Brock, in the second instance?, was agreed to.

Thereupon, pending third reading of the bill, Senator Brock moved to amend the Senate proposal of amendment as follows:

First: In Sec. 24, 10 V.S.A. § 6001(3)(D)(viii)(III), by striking out “2027” and inserting in lieu thereof 2028

Second: By adding a new section to be Sec. 24a to read as follows:

Sec. 24a. 10 V.S.A. § 6081(p) is amended to read:

(p) No permit or permit amendment is required for a priority housing project in a designated center if the project remains below any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title. No permit or permit amendment is required for a subdivision for a priority housing project.

Third: In Sec. 31, 10 V.S.A. § 6081, in subdivision (z)(1), by inserting a new sentence after the first sentence to read as follows:

Units constructed pursuant to this subsection shall not count towards the total units constructed in other projects.

Fourth: In Sec. 31, 10 V.S.A. § 6081, in subdivision (z)(2), by inserting a new sentence after the first sentence to read as follows:

Units constructed pursuant to this subsection shall not count towards the total units constructed in other projects.

Fifth: In Sec. 31, 10 V.S.A. § 6081, in subsection (aa), after “No permit” by inserting or permit

Sixth: In Sec. 31, 10 V.S.A. § 6081, in subsection (cc), after “no permit” by inserting or permit

Pending the question, Shall the Senate proposal of amendment be amended as recommended by Senator Brock?, Senator Bray requested the first instance be separated.

Thereupon, the pending question, Shall the Senate proposal of amendment be amended as recommended by Senator Brock, in the first instance?, was agreed to.

Thereupon, the pending question, Shall the Senate proposal of amendment be amended as recommended by Senator Brock, in the second through sixth instances? was disagreed to on a division, Yeas 11, Nays 18.

Thereupon, pending third reading of the bill, Senators Vyhovsky and Clarkson moved to amend the Senate proposal of amendment by adding a reader assistance heading and a new section to be Sec. 94 to read as follows:

\* \* \* No-Cause Evictions Moratorium \* \* \*

Sec. 94. TEMPORARY EVICTION MORATORIUM FOR NO-CAUSE  
EVICTIONS IN AUTHORIZED MUNICIPALITIES

(a) As used in this section:

(1) “Temporary period” means the period beginning on the effective date of this section and ending on December 31, 2026.

(2) “Authorized municipality” means a municipality that has passed an amendment to its charter after 2020 authorizing the municipality to provide protections for residential tenants from no-cause eviction.

(b) During the temporary period, for any tenant residing in an authorized municipality:



(1) Except as provided in subdivision (2)(A) of this subsection, a landlord shall not terminate the tenancy of the tenant for no cause pursuant to 9 V.S.A. § 4467(c) or (e).

(2) A landlord may terminate the tenancy of the tenant:

(A) pursuant to 9 V.S.A. § 4467(c) or (e), because the landlord or a member of the landlord's immediate family has a good faith intention to occupy the premises;

(B) pursuant to 9 V.S.A. § 4467(a), because the tenant failed to pay rent;

(C) pursuant to 9 V.S.A. § 4467(b)(1), because the tenant failed to comply with a material term of the rental agreement or with obligations imposed under 9 V.S.A. chapter 137;

(D) pursuant to 9 V.S.A. § 4467(b)(2), because the tenant engaged in criminal activity, illegal drug activity, or acts of violence, any of which threaten the health or safety of other residents; or

(E) pursuant to 9 V.S.A. § 4467(d), because in the absence of a written rental agreement the landlord has contracted to sell the building.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as moved by Senators Vyhovsky and Clarkson?, Senator Ingalls raised a *point of order* under Sec. 402 of Mason's Manual of Legislative Procedure on the grounds that the proposal of amendment *was not* germane and could not be considered by the Senate.

Thereupon, the President *sustained* the point of order and declared that the proposal of amendment offered by Senators Vyhovsky and Clarkson was not germane and could *not* be considered by the Senate and was ordered stricken.

Thereupon, Senator Hashim moved that the rules be suspended so that the Senate may consider the question, Shall the Senate proposal of amendment be amended as moved by Senators Vyhovsky and Clarkson?, which was disagreed to.

Thereupon, pending third reading of the bill, Senators Clarkson and Vyhovsky moved to amend the Senate proposal of amendment by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(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 and only one of whom may be a landlord, who shall be appointed by the Speaker of the House;

(2) two current members of the Senate, not all from the same political party and only one of whom may be a landlord, 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;

(6) a representative of the Judiciary; and

(7) a person with lived experience of eviction, who shall be appointed by the Champlain Valley Office of Economic Opportunity.

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Sears moved to amend the Senate proposal of amendment in Sec. 19, 10 V.S.A. § 6001(3)(A)(xii), in subdivision (I), by striking out “800 feet” and inserting in lieu thereof 2000 feet

Which was disagreed to on a roll call, Yeas 11, Nays 17.

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:** Brock, Campion, Chittenden, Collamore, Ingalls, Norris, Sears, Starr, Weeks, Westman, Williams.

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

**The Senator absent and not voting was:** Kitchel.

Thereupon the bill was read the third time and passed in concurrence with proposal of amendment on a roll call, Yeas 18, Nays 10.

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

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**Roll Call**

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

**Those Senators who voted in the negative were:** Brock, Collamore, Ingalls, MacDonald, Norris, Starr, Weeks, Westman, Williams, Wrenner.

**The Senator absent and not voting was:** Sears.

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

**Third Reading Ordered****H. 289.**

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

An act relating to the Renewable Energy Standard.

Reported that the bill ought to pass in concurrence.

Senator Bray, for the Committee on Finance, to which the bill was referred reported that the bill ought to pass in concurrence.

Senator Perchlik, for the Committee on Appropriations, to which the bill was referred reported that the bill ought to pass in concurrence.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and third reading of the bill was ordered on a roll call, Yeas 18, Nays 8.

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, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, Perchlik, Ram Hinsdale, Vyhovsky, Watson, Westman, White.

**Those Senators who voted in the negative were:** Brock, Collamore, Ingalls, Norris, Starr, Weeks, Williams, Wrenner.

**Those Senators absent and not voting were:** Campion, McCormack, Sears.

**House Proposal of Amendment to Senate Proposal of Amendment Not  
Concurred In; Committee of Conference Requested; Committee of  
Conference Appointed**

**H. 563.**

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

An act relating to criminal motor vehicle offenses involving unlawful trespass, theft, or unauthorized operation.

Was taken up.

The House proposes to the Senate to amend the Senate proposal of amendment by adding a new section to be Sec. 1a to read as follows:

Sec. 1a. 23 V.S.A. § 1094 is amended to read:

§ 1094. OPERATION WITHOUT CONSENT OF OWNER;

AGGRAVATED OPERATION WITHOUT CONSENT OF OWNER

(a) A person commits the crime of operation without consent of the owner if:

(1) the person takes, obtains, operates, uses, or continues to operate the motor vehicle of another when the person recklessly disregards that the person did not have the consent of the owner to do so; or

(2) the person, without the consent of the owner, knowingly takes, obtains, operates, uses, or continues to operate the motor vehicle of another when the person knows that the person did not have the consent of the owner to do so.

\* \* \*

(c) A person convicted under subdivision (a)(1) of this section shall be imprisoned not more than three months or fined not more than \$500.00, or both. A person convicted under ~~subsection~~ subdivision (a)(2) of this section of operation without consent of the owner shall be imprisoned not more than two years or fined not more than \$1,000.00, or both.

\* \* \*

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal?, on motion of Senator Hashim, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Thereupon, pursuant to the request of the Senate, the President announced the appointment of

Senator Hashim  
Senator Norris  
Senator Vyhovsky

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

**Rules Suspended; House Proposal of Amendment Not Concurred In;  
Committee of Conference Requested; Committee of Conference  
Appointed**

**S. 309.**

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

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

Was taken up for immediate consideration.

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

\* \* \* 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~~ 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) 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.

(b) 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.

(c) 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.

(d) 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~~

(e) 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.

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~~ canceled 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~~ canceled 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~~ canceled 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.

Sec. 14. [Deleted.]

Sec. 15. [Deleted.]

Sec. 16. [Deleted.]

\* \* \* 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 shall 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 are not emergency warning lamps and provide a flashing light in a color other than amber, except that this prohibition shall not apply to a motorcycle headlamp modulation system that meets the criteria specified in Federal Motor Vehicle Safety Standard 108, codified at 49 C.F.R. § 571.108.

(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, a county, 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)(c) Sirens and 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 subsection 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.



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\* \* \* 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;

(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, one extinguisher;
- (B) 26 feet or longer, but less than 40 feet, two extinguishers; and
- (C) 40 feet or longer, 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, one extinguisher; and
- ~~(B)~~(C) 40 feet or longer, 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, in compliance with 46 C.F.R. Subpart 25.30, as amended.

(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) 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.

\* \* \* Licensed Dealers; Used Vehicle Sales; Disclosures \* \* \*

Sec. 35. 23 V.S.A. § 466 is amended to read:

§ 466. RECORDS; DISCLOSURES; CUSTODIAN

(a) On a form prescribed or approved by the Commissioner, every licensed dealer shall maintain and retain for six years a record containing the following information, which shall be open to inspection by any law enforcement officer or motor vehicle inspector or other agent of the Commissioner during reasonable business hours:

(1) Every vehicle or motorboat that is bought, sold, or exchanged by the licensee or received or accepted by the licensee for sale or exchange.

(2) Every vehicle or motorboat that is bought or otherwise acquired and dismantled by the licensee.

(3) The name and address of the person from whom such vehicle or motorboat was purchased or acquired, the date thereof, the name and address of the person to whom any such vehicle or motorboat was sold or otherwise

disposed of and the date thereof, and a sufficient description of every such vehicle or motorboat by name and identifying numbers thereon to identify the same.

(4) [Repealed.]

(b)(1) On a form prescribed or approved by the Commissioner, a licensed dealer shall provide written disclosure to each buyer of a used motor vehicle regarding the following:

(A) the month in which the vehicle was last inspected pursuant to section 1222 of this title;

(B) the month in which the inspection shall expire;

(C) whether the most recent inspection was by the dealer currently selling the motor vehicle;

(D) a statement that the condition of the motor vehicle may be different than the condition at the last inspection, unless inspected by the dealer selling the vehicle for the current transaction;

(E) a statement regarding the right of a potential buyer to have the vehicle inspected by an independent qualified mechanic of their choice and at their own expense; and

(F) a clear and conspicuous statement, if applicable, that the vehicle is being transferred without an inspection sticker, with an expired inspection sticker, or with an inspection sticker from another state.

(2) The licensed dealer shall maintain and retain record of the disclosure statement, signed by both the dealer and the buyer, for two years after transfer of ownership. The record shall be open to inspection by any law enforcement officer or motor vehicle inspector or other agent of the Commissioner during reasonable business hours.

(c) Every licensed dealer shall designate a custodian of documents who shall have primary responsibility for administration of documents required to be maintained under this title. In the absence of the designated custodian, the dealer shall have an ongoing duty to make such records available for inspection by any law enforcement officer or motor vehicle inspector or other agent of the Commissioner during reasonable business hours.

\* \* \* DMV Credentials and Number Plates; Veteran Designations \* \* \*

#### Sec. 36. 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.

Sec. 37. 23 V.S.A. § 7(b) is amended to read:

(b) In addition to any other requirement of law or rule, before an enhanced license may be issued to ~~a person~~ an individual, the ~~person~~ individual shall present for inspection and copying satisfactory documentary evidence to determine identity and U.S. citizenship. An application shall be accompanied by: a photo identity document, documentation showing the ~~person's~~ individual's date and place of birth, proof of the ~~person's~~ individual's Social Security number, and documentation showing the ~~person's~~ individual's principal residence address. New and renewal application forms shall include a space for the applicant to request that a "veteran" designation be placed on the enhanced license. If a veteran, 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), requests a veteran designation and provides a Department of Defense Form 214 or other proof of veteran status specified by the Commissioner, and the Office of ~~Veterans~~ Veterans' Affairs confirms ~~his or her~~ the individual's status as an honorably discharged veteran ~~or;~~ or a veteran discharged under honorable conditions; or an individual disabled during active military, naval, air, or space service, the identification card shall include the term "veteran" on its face. To be issued, an enhanced license must meet the same requirements as those for the issuance of a U.S. passport.

Before an application may be processed, the documents and information shall be verified as determined by the Commissioner. Any additional personal identity information not currently required by the U.S. Department of Homeland Security shall need the approval of either the General Assembly or the Legislative Committee on Administrative Rules prior to the implementation of the requirements.

Sec. 38. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

(a) Any Vermont resident may make application to the Commissioner and be issued an identification card that is attested by the Commissioner as to true name, correct age, residential address unless the listing of another address is requested by the applicant or is otherwise authorized by law, and any other identifying data as the Commissioner may require that shall include, in the case of minor applicants, the written consent of the applicant's parent, guardian, or other person standing in loco parentis. Every application for an identification card shall be signed by the applicant and shall contain such evidence of age and identity as the Commissioner may require, consistent with subsection (1) of this section. New and renewal application forms shall include a space for the applicant to request that a "veteran" designation be placed on the applicant's identification card. If a veteran, as defined in 38 U.S.C. § 101(2) and including an individual disabled during active military, naval, air, or space service, as defined in 38 U.S.C. § 101(24), requests a veteran designation and provides a Department of Defense Form 214 or other proof of veteran status specified by the Commissioner, and the Office of ~~Veterans~~ Veterans' Affairs confirms the veteran's status as an honorably discharged veteran ~~or~~; a veteran discharged under honorable conditions; or an individual disabled during active military, naval, air, or space service, the identification card shall include the term "veteran" on its face. The Commissioner shall require payment of a fee of \$29.00 at the time application for an identification card is made, except that an initial nondriver identification card shall be issued at no charge to an individual who surrenders the individual's license in connection with a suspension or revocation under subsection 636(b) of this title due to a physical or mental condition.

\* \* \*

Sec. 39. 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.

\* \* \*

Sec. 40. 23 V.S.A. § 610(a) is amended to read:

(a) The Commissioner shall assign a distinguishing number to each licensee and shall furnish the licensee with a license certificate that shows the number and the licensee's full name, date of birth, and residential address, except that at the request of the licensee, the licensee's mailing address may be listed, or an alternative address may be listed if otherwise authorized by law. The certificate also shall include a brief physical description and a space for the signature of the licensee. The license shall be void until signed by the licensee. If a veteran, 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), requests a veteran designation and provides proof of veteran status as specified in subdivision 603(a)(3) of this title, and the Office of ~~Veterans~~ Veterans' Affairs confirms ~~his or her~~ the individual's status as an honorably discharged veteran ~~or~~; a veteran discharged under honorable conditions; or an individual disabled during active military, naval, air, or space service, the license certificate shall include the term "veteran" on its face.

Sec. 41. 23 V.S.A. § 4111 is amended to read:

§ 4111. COMMERCIAL DRIVER'S LICENSE

(a) Contents of license. A commercial driver's license shall be marked "commercial driver's license" or "CDL" and shall be, to the maximum extent practicable, tamper proof and shall include the following information:

\* \* \*

(12) A veteran designation if a veteran, 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), requests the designation and provides proof of veteran status as specified in subdivision 4110(a)(5) of this title, and if the Office of Veterans' Affairs confirms his or her the individual's status as an honorably discharged veteran; a veteran discharged under honorable conditions; or an individual disabled during active military, naval, air, or space service.

\* \* \*

\* \* \* Conservation Motor Vehicle License Plates; Motorcycles \* \* \*

Sec. 42. 23 V.S.A. § 304b is amended to read:

§ 304b. CONSERVATION MOTOR VEHICLE REGISTRATION PLATES

(a) The Commissioner shall, upon application, issue conservation registration plates for use only on vehicles registered at the pleasure car rate, on motorcycles, on trucks registered for less than 26,001 pounds, and on vehicles registered to State agencies under section 376 of this title, but excluding vehicles registered under the International Registration Plan. Plates so acquired shall be mounted on the front and rear of the vehicle, except that a motorcycle plate shall be mounted only on the rear of the motorcycle. The Commissioners of Motor Vehicles and of Fish and Wildlife shall determine the graphic design of the special plates in a manner that serves to enhance the public awareness of the State's interest in restoring and protecting its wildlife and major watershed areas. The Commissioners of Motor Vehicles and of Fish and Wildlife may alter the graphic design of these special plates, provided that plates in use at the time of a design alteration shall remain valid subject to the operator's payment of the annual registration fee. Applicants shall apply on forms prescribed by the Commissioner and shall pay an initial fee of \$32.00 in addition to the annual fee for registration. In following years, in addition to the annual registration fee, the holder of a conservation plate shall pay a renewal fee of \$32.00. The Commissioner may adopt rules under 3 V.S.A. chapter 25 to implement the provisions of this subsection.

\* \* \*

\* \* \* Use of Roadway by Pedestrians, Bicycle Operators, and  
Vulnerable Users \* \* \*

Sec. 43. 23 V.S.A. § 4(67) is amended to read:

(67) "Pedestrian" means any person individual afoot or operating a wheelchair or other personal mobility device, whether motorized or not, and shall also include any person 16 years of age or older operating including an electric personal assistive mobility device. The age restriction of this subdivision shall not apply to a person who has an ambulatory disability as defined in section 304a of this title.

Sec. 44. 23 V.S.A. § 1033 is amended to read:

§ 1033. PASSING MOTOR VEHICLES AND VULNERABLE USERS

\* \* \*

(b) Approaching or passing vulnerable users. ~~The operator of individual operating~~ a motor vehicle approaching or passing a vulnerable user as defined in subdivision 4(81) of this title shall exercise due care, which includes reducing speed and increasing clearance to a ~~recommended~~ distance of at least four feet, to pass the vulnerable user safely, and shall cross the center of the highway only as provided in section 1035 of this title. ~~A person~~ An individual who violates this subsection shall be subject to a civil penalty of not less than \$200.00.

(c) Approaching or passing certain stationary vehicles. ~~The operator of individual operating~~ a motor vehicle approaching or passing a stationary sanitation, maintenance, utility, or delivery vehicle with flashing lights shall exercise due care, which includes reducing speed and increasing clearance to a recommended distance of at least four feet, to pass the vehicle safely, and shall cross the center of the highway only as provided in section 1035 of this title. ~~A person~~ An individual who violates this subsection shall be subject to a civil penalty of not less than \$200.00.

Sec. 45. 23 V.S.A. § 1055 is amended to read:

§ 1055. PEDESTRIANS ON ROADWAYS

(a) ~~Where public sidewalks are provided, no person may walk along or upon an adjacent roadway. [Repealed.]~~

(b) ~~Where public sidewalks are not provided, any~~ Any pedestrian walking along and upon a highway shall, when practicable, walk only on the left side of the roadway or its shoulder facing the direction of possible oncoming traffic.

Sec. 46. AGENCY OF TRANSPORTATION; DEPARTMENT OF PUBLIC SAFETY; IDAHO STOP STUDY; REPORT

The Agency of Transportation, in collaboration with the Department of Public Safety and in consultation with bicycle safety organizations and other relevant stakeholders, shall study the potential effects of implementing a statewide policy that grants an individual operating a bicycle rights and responsibilities at traffic-control devices and traffic-control signals that differ from those applicable to operators of motor vehicles. The study shall include consideration of the potential effects of allowing individuals operating bicycles to treat stop signs as yield signs and red lights at traffic signals as stop signs, also known as an "Idaho Stop," and of allowing individuals operating bicycles to cross intersections during a pedestrian phase at pedestrian-control devices and pedestrian-control signals. On or before December 15, 2024, the Agency shall report to the House and Senate Committees on Transportation with its findings and recommendations.

Sec. 47. AGENCY OF TRANSPORTATION; ACTIVE TRANSPORTATION POLICY REPORT

(a) The Agency of Transportation shall prepare an Active Transportation Policy Report that provides a comprehensive review of Vermont statutes, including those in Titles 19 and 23, relating to the rights and responsibilities of vulnerable road users, in order to inform best practices and policy outcomes. The Agency shall develop the Report in consultation with relevant stakeholders identified by the Agency, which shall include bicycle safety organizations.

(b) On or before January 15, 2025, the Agency shall submit the written Active Transportation Policy Report, which shall include a summary of the Agency's review efforts and any recommendations for revisions to Vermont statutes, to the House and Senate Committees on Transportation.

\* \* \* License Plates for Plug-In Electric Vehicles \* \* \*

Sec. 48. LICENSE PLATES FOR PLUG-IN ELECTRIC VEHICLES; FINDINGS

The General Assembly finds that:

(1) Plug-in electric vehicles (PEVs), which include plug-in hybrid electric vehicles and battery electric vehicles, provide new and unique challenges for first responders and firefighters when responding to the scene of a crash that may involve a PEV.

(2) PEVs are powered by high-voltage batteries, which means that if a PEV is involved in a crash resulting in a fire or in the need for extrication or

rescue, or a combination of these, then fire and rescue personnel must invoke special operations to suppress the fire or initiate the extrication or rescue operation.

(3) Other states and countries have begun noting whether or not a motor vehicle is a PEV with a designation on the vehicle's license plate.

(4) First responders and firefighters in Vermont will be in a better position to safely respond to a fire, extrication, or rescue involving a motor vehicle crash if they know whether one or more vehicles involved are a PEV, which can be done, in most instances, with a license plate designation.

Sec. 49. 23 V.S.A. § 304 is amended to read:

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

\* \* \*

(k) Not later than July 1, 2026, the Commissioner shall begin issuing number and vanity plates for plug-in electric vehicles, as defined in subdivision 4(85) of this title, indicating that the vehicle is a plug-in electric vehicle. Not later than July 1, 2028, all plug-in electric vehicles registered in this State shall display plates indicating that the vehicle is a plug-in electric vehicle.

Sec. 50. LICENSE PLATES FOR PLUG-IN ELECTRIC VEHICLES;  
IMPLEMENTATION PROVISIONS; REPORT

(a) In accordance with 23 V.S.A. § 304(k), not later than July 1, 2026, the Commissioner of Motor Vehicles shall begin issuing number and vanity plates for plug-in electric vehicles (PEV) indicating that the vehicle is a PEV.

(b)(1) Upon the purchase of a PEV, the purchaser shall not transfer a non-PEV plate to the newly purchased PEV unless the plate is a vanity or special number plate.

(2) For the purchaser of a PEV whose previous plate was not a vanity or special number plate, the Commissioner shall issue a new PEV plate, which the purchaser shall install upon receipt.

(3) For the purchaser of a PEV whose previous plate was a vanity or special number plate and who wishes to retain that plate for the newly purchased PEV, the purchaser may transfer and display the existing plate until the Commissioner issues the purchaser a new vanity or special number plate indicating that the vehicle is a PEV, except as set forth in subsection (d) of this section. The purchaser shall install the new PEV plate upon receipt.

(c) An individual who owns a PEV on the effective date of this act may continue to display the individual's existing plate until the individual receives a new PEV plate from the Department of Motor Vehicles. The owner shall install the new PEV plate upon receipt.

(d) The Commissioner is authorized to reject existing plates for transfer or renewal due to space limitations on the new PEV plates.

(e) On or before March 15, 2025, the Department of Motor Vehicles shall provide testimony to the House and Senate Committees on Transportation regarding the status of its efforts to implement license plates for PEVs as set forth in this section and in 23 V.S.A. § 304(k).

\* \* \* Distracted Driving Diversion Program \* \* \*

Sec. 51. DISTRACTED DRIVING DIVERSION PROGRAM  
RECOMMENDATIONS; REPORT

(a) The Community Justice Unit of the Office of the Attorney General, in consultation with the Court Diversion programs, the Vermont Judiciary, the Department of Motor Vehicles, and representatives of Vermont law enforcement agencies, shall evaluate the feasibility of and design options for establishing a distracted driving diversion program as an alternative to civil penalties and points for individuals who violate Vermont's distracted driving laws, including 23 V.S.A. §§ 1095a, 1095b, and 1099. The issues for the Community Justice Unit to consider shall include:

(1) whether conducting a distracted driving diversion program is feasible;

(2) if so, how such a distracted driving diversion program should be structured and administered;

(3) the age groups to which the program should be made available;

(4) performance outcome measures that indicate whether the program is reducing the participants' likelihood of future distracted driving;

(5) whether fees should be imposed for participation in the program and, if so, what those fees should be;

(6) the additional resources, if any, that would be needed to implement and administer the program; and

(7) whether diversion or other alternatives should be made available to address other driving-related violations, especially youth violations.

(b) On or before December 15, 2024, the Community Justice Unit shall submit its findings and recommendations regarding a distracted driving



diversion program to the House and Senate Committees on Transportation and on Judiciary.

\* \* \* Effective Dates \* \* \*

Sec. 52. 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) Sec. 35 (records; disclosures; custodian; 23 V.S.A. § 466) shall take effect on July 1, 2025.

(c) Secs. 36-41 (DMV credentials and number plates; veteran credentials) shall take effect on passage.

(d) All other sections shall take effect on July 1, 2024.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Perchlik, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Thereupon, pursuant to the request of the Senate, 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.

**Rules Suspended; Bills Messaged**

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

**S. 309, H. 563.**

**Message from the House No. 60**

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. 889.** An act relating to compensation for certain State employees (Pay Act).

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

**Message from the House No. 61**

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 proposals of amendment to the following House bills:

**H. 606.** An act relating to professional licensure and immigration status.

**H. 706.** An act relating to banning the use of neonicotinoid pesticides.

**H. 766.** An act relating to prior authorization and step therapy requirements, health insurance claims, and provider contracts.

And has severally concurred therein.

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

**H.C.R. 242.** House concurrent resolution in memory of Charlotte Selectboard Member and former Public Service Board Chair and Department of Public Service Commissioner Louise McCarren.

**H.C.R. 243.** House concurrent resolution in memory of Alexander and Marilyn Mahar and recognizing the couple's special community legacy to the Town of Bennington.

**H.C.R. 244.** House concurrent resolution congratulating the drama students and theater department of Bellows Free Academy-St. Albans on earning a berth at the 2024 New England Theatre Festival.

**H.C.R. 245.** House concurrent resolution congratulating Mary Anderson on being named the 2024–2025 Vermont Elementary School Principal of the Year.

**H.C.R. 246.** House concurrent resolution congratulating Grace Cottage Family Health & Hospital on its 75th anniversary.

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. 14.** Senate concurrent resolution commemorating the centennial of the Burlington Country Club.

**S.C.R. 15.** Senate concurrent resolution honoring the dental career achievements, humanitarianism, and community service of Dr. David Baasch of Wallingford.

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 Senator Ram Hinsdale,

By Rep. Rachelson,

#### **S.C.R. 14.**

Senate concurrent resolution commemorating the centennial of the Burlington Country Club.

By Senators Weeks, Collamore and Williams,

By Reps. Burditt and Peterson,

#### **S.C.R. 15.**

Senate concurrent resolution honoring the dental career achievements, humanitarianism, and community service of Dr. David Baasch of Wallingford.

### **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. Waters Evans,

#### **H.C.R. 242.**

House concurrent resolution in memory of Charlotte Selectboard Member and former Public Service Board Chair and Department of Public Service Commissioner Louise McCarren.

By Reps. Carroll and others,

By Senators Campion and Sears,

**H.C.R. 243.**

House concurrent resolution in memory of Alexander and Marilyn Mahar and recognizing the couple's special community legacy to the Town of Bennington.

By Reps. McCarthy and others,

**H.C.R. 244.**

House concurrent resolution congratulating the drama students and theater department of Bellows Free Academy-St. Albans on earning a berth at the 2024 New England Theatre Festival.

By Reps. Boyden and others,

By Senator Westman,

**H.C.R. 245.**

House concurrent resolution congratulating Mary Anderson on being named the 2024–2025 Vermont Elementary School Principal of the Year.

By Reps. Sibia and others,

By Senators Harrison and Hashim,

**H.C.R. 246.**

House concurrent resolution congratulating Grace Cottage Family Health & Hospital on its 75th anniversary.

**Adjournment**

On motion of Senator Baruth, the Senate adjourned, to reconvene on Monday, May 6, 2024, at one o'clock in the afternoon pursuant to J.R.S. 55.

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**MONDAY, MAY 6, 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. 62**

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 bills originating in the Senate of the following titles:

**S. 98.** An act relating to Green Mountain Care Board authority over prescription drug costs.

**S. 213.** An act relating to the regulation of wetlands, river corridor development, and dam safety.

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

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

#### **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. 55.** An act relating to miscellaneous unemployment insurance amendments.

**H. 878.** An act relating to miscellaneous judiciary procedures.

#### **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. 780.** An act relating to judicial nominations and appointments.

**H. 876.** An act relating to miscellaneous amendments to the corrections laws.

**H. 887.** An act relating to homestead property tax yields, nonhomestead rates, and policy changes to education finance and taxation.

#### **Message from the House No. 63**

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:

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

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

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

Rep. Coffey of Guilford  
Rep. Shaw of Pittsford  
Rep. Dodge of Essex.

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

**H. 563.** An act relating to criminal motor vehicle offenses involving unlawful trespass, theft, or unauthorized operation.

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

Rep. Burditt of West Rutland  
Rep. Dolan of Essex Junction  
Rep. Arsenault of Williston.

### **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 sixth day of May, 2024 he approved and signed bills originating in the Senate of the following titles:

**S. 109.** An act relating to Medicaid coverage for doula services.

**S. 187.** An act relating to student application of sunscreen.

**S. 199.** An act relating to mergers and governance of communications union districts.

### **Adjournment**

At 1:15 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 ten o'clock in the forenoon on Tuesday, May 7, 2024.

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**TUESDAY, MAY 7, 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**

Pages Madeline Piecuch of East Thetford and Teigan Reimer-Tatistcheff of East Montpelier led the members of the Senate in the pledge of allegiance.

**Message from the House No. 64**

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 the Senate proposal of amendment on House bill entitled:

**H. 882.** An act relating to capital construction and State bonding budget adjustment.

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

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

Rep. Emmons of Springfield  
Rep. Casey of Montpelier  
Rep. Headrick of Burlington.

**Rules Suspended; Bill Committed**

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

**H. 877.** An act relating to miscellaneous agricultural subjects.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committees on Agriculture and on Natural Resources and Energy, Senator Bray moved that Senate Rule 49 be suspended and the bill be committed to the Committee on Finance with the reports of the Committees on Agriculture and on Natural Resources and Energy *intact*,

Which was agreed to.

**Committee of Conference Appointed****H. 882.**

An act relating to capital construction and State bonding budget adjustment.

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

Senator Ingalls  
Senator Harrison  
Senator Collamore

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

**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. 612.** An act relating to miscellaneous cannabis amendments.

**H. 585.** An act relating to amending the pension system for sheriffs and certain deputy sheriffs.

**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. 702.** An act relating to legislative operations and government accountability.

**H. 875.** An act relating to the State Ethics Commission and the State Code of Ethics.

**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:

Arrison, John of Ascutney - Member of the Connecticut River Valley Flood Control Commission - from March 1, 2024 to February 28, 2030.

To the Committee on Natural Resources and Energy.

Gaidys, Rachel of Briantree - Member of the Board of Medical Practice - from March 26, 2024 to February 28, 2029.

To the Committee on Health and Welfare.



Hebert, Tyler of Lyndonville - Member of the Plumbers' Examining Board - from March 26, 2024 to June 30, 2027.

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

Houghton, Mary of Putney - Commissioner, Vermont State Housing Authority - from March 1, 2024 to February 28, 2029.

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

Nagy, Joan Berwick of Cambridge - Member of the Human Rights Commission - from March 1, 2024 to February 28, 2029.

To the Committee on Judiciary.

Odigie, Ian of Rutland - Member of the Board of Medical Practice - from May 1, 2024 to February 29, 2028.

To the Committee on Health and Welfare.

Thomas, Brian of Shrewsbury - Member of the Plumbers' Examining Board - from March 1, 2024 to June 30, 2028.

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

### **Bill Referred**

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

**H. 889.** An act relating to compensation for certain State employees (Pay Act).

And pursuant to Temporary Rule 44A was referred to the Committee on Government Operations.

### **Bill Passed in Concurrence**

#### **H. 289.**

House bill entitled:

An act relating to the Renewable Energy Standard.

Was taken up.

Thereupon, pending third reading of the bill, Senator Williams moved to propose to the House to amend the bill as follows:

First: In Sec. 2, 30 V.S.A. § 8002, in subdivision (8), by striking out “December 31, 2009” and inserting in lieu thereof June 30, 2015

Second: In Sec. 2, 30 V.S.A. § 8002, by striking out subdivision (17) and inserting in lieu thereof a new (17) to read as follows:

(17) “New renewable energy” means renewable energy produced by a specific and identifiable plant coming into service after June 30, 2015.

(A) Energy from within a system of generating plants that includes renewable energy shall not constitute new renewable energy, regardless of whether the system includes specific plants that came or come into service after June 30, 2015.

(B) “New new renewable energy” also may include the additional energy from an existing renewable energy plant retrofitted with advanced technologies or otherwise operated, modified, or expanded to increase the kWh output of the plant in excess of ~~an~~ a historical baseline established by calculating the average output of that plant for the 10-year period that ended June 30, 2015. If the production of new renewable energy through changes in operations, modification, or expansion involves combustion of the resource, the system also must result in an incrementally higher level of energy conversion efficiency or significantly reduced emissions.

Third: By striking out Sec. 4, 30 V.S.A. § 8005, in its entirety

Fourth: By striking out Sec. 5, 30 V.S.A. § 8006a, in its entirety and by renumbering the remaining sections to be numerically correct.

Which was disagreed to.

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

#### **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. 614.** An act relating to land improvement fraud and timber trespass.

**H. 661.** An act relating to child abuse and neglect investigation and substantiation standards and procedures.

**H. 847.** An act relating to peer support provider and recovery support specialist certification.

#### **Proposal of Amendment; Third Reading Ordered**

##### **H. 534.**

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

An act relating to retail theft.

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. § 2575 is amended to read:

§ 2575. OFFENSE OF RETAIL THEFT

A person commits the offense of retail theft when the person, with intent of depriving a merchant wrongfully of the lawful possession of merchandise, money, or credit:

(1) takes and carries away or causes to be taken and carried away or aids and abets the carrying away of, any merchandise from a retail mercantile establishment without paying the retail value of the merchandise; or

\* \* \*

Sec. 2. 13 V.S.A. § 2577 is amended to read:

§ 2577. PENALTY

(a) A person convicted of the offense of retail theft of merchandise having a retail value not in excess of \$900.00 shall:

(1) for a first offense, be punished by a fine of not more than \$500.00 or imprisonment for not more than six months 30 days, or both;

(2) for a second offense, be punished by a fine of not more than \$1,000.00 or imprisonment for not more than six months, or both;

(3) for a third offense, be punished by a fine of not more than \$1,500.00 or imprisonment for not more than three years, or both; or

(4) for a fourth or subsequent offense, be punished by a fine of not more than \$2,500.00 or imprisonment for not more than 10 years, or both.

(b) A person convicted of the offense of retail theft of merchandise having a retail value in excess of \$900.00 shall be punished by a fine of not more than \$1,000.00 or imprisonment for not more than 10 years, or both.

\* \* \*

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

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.

**House Proposal of Amendment Concurred In with Proposal of  
Amendment**

**S. 30.**

House proposal of amendment to Senate bill entitled:

An act relating to creating a Sister State Program.

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. VERMONT SISTER STATE PROGRAM; WORKING GROUP

(a) Creation. There is created the Vermont Sister State Program Working Group for the purpose of determining the administration, oversight, scope, and objectives of a Vermont Sister State Program.

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

(1) the Secretary of Commerce and Community Development or designee;

(2) the Secretary of Education or designee;

(3) the Secretary of Agriculture or designee;

(4) the Chair of the Board of Trustees of the Vermont Arts Council or designee of the Board of the Trustees;

(5) the Chair of the Board of Directors of the Vermont Council on World Affairs or designee of the Board of the Directors; and

(6) the Vermont Adjutant General or designee.

(c) Meetings.

(1) The Secretary of Commerce and Community Development or designee shall call the first meeting of the Working Group to occur on or before September 1, 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) In furtherance of its duties, the Working Group is encouraged to solicit input and participation from interested stakeholders, including those with experience in cultural exchange or in international relations, agriculture, trade, education, arts, recreation, or governance.

(d) Powers and duties. The Working Group shall review sister state programs in other jurisdictions and receive testimony from relevant stakeholders in order to make recommendations for legislative action. In conducting its analysis, the Working Group shall consider and make recommendations on the following:

(1) which department in State government is best suited to administer, house, and provide support to the Program;

(2) the makeup of the membership of the Committee overseeing the Program;

(3) sources of funding that will financially support the Program;

(4) specific objectives of the Program that align with the following goals:

(A) that the Program exist to create, administer, and maintain mutually beneficial and long-lasting partnerships between Vermont and other select countries or provinces;

(B) that the Program foster the connection of immigrants and refugee communities in Vermont with their nations of origin;

(C) that the Program promote and foster cultural exchange, tourism, trade, and education between Vermont and Sister States; and

(D) that through the Program, the Committee communicate with and support military personnel, foreign service officers, aid organizations, nongovernmental organizations, Peace Corps volunteers, and any other relevant entities working in Sister States.

(5) the criteria for evaluating proposed and existing Sister State agreements;

(6) the requirements for creating and managing Sister State agreements, including:

(A) the term length for agreements; and

(B) the appropriate number of active agreements at one time; and

(7) any other issue the Working Group deems relevant to the success of the Vermont Sister State Program.

(e) Compensation and reimbursement.

(1) A nonlegislative member 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.

(2) Payments to members of the Working Group authorized under this subsection shall be made from monies appropriated to the General Assembly.

(f) Reporting.

(1) An initial report on the Working Group's progress on the work set forth in this section shall be submitted to the General Assembly on or before February 15, 2025.

(2) A final report shall include the Working Group's findings and recommendations for legislative language based on the requirements set forth in this section. The report shall also include the names of the stakeholders that the Working Group heard from during its work. The report shall be submitted to the General Assembly on or before November 1, 2025.

(g) Expiration. The Working Group shall cease to exist on March 31, 2026.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Harrison, Brock, Clarkson, Cummings and Ram Hinsdale moved that the Senate concur in the House proposal of amendment with further proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. VERMONT SISTER STATE PROGRAM; WORKING GROUP

(a) Creation. There is created the Vermont Sister State Program Working Group for the purpose of determining the administration, oversight, scope, and objectives of a Vermont Sister State Program.

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

(1) the Secretary of Commerce and Community Development or designee;

(2) the Secretary of Education or designee;

(3) the Secretary of Agriculture or designee;

(4) the Chair of the Board of Trustees of the Vermont Arts Council or designee of the Board of the Trustees;

(5) the Chair of the Board of Directors of the Vermont Council on World Affairs or designee of the Board of the Directors;

(6) the Vermont Adjutant General or designee; and

(7) three members with experience in educational or cultural exchanges or in international affairs to be appointed as follows:

(A) one member by the Governor;

(B) one member by the Senate Committee on Committees; and

(C) one member by the Speaker of the House.

(c) Meetings.

(1) The Secretary of Commerce and Community Development or designee shall call the first meeting of the Working Group to occur on or before September 1, 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) In furtherance of its duties, the Working Group is encouraged to solicit input and participation from interested stakeholders, including those with experience in cultural exchange or in international relations, agriculture, trade, education, arts, recreation, or governance.

(d) Powers and duties. The Working Group shall review sister state programs in other jurisdictions and receive testimony from relevant stakeholders in order to make recommendations for legislative action. In conducting its analysis, the Working Group shall consider and make recommendations on the following:

(1) which department in State government is best suited to administer, house, and provide support to the Program;

(2) the makeup of the membership of the Committee overseeing the Program;

(3) sources of funding that will financially support the Program;

(4) specific objectives of the Program that align with the following goals:

(A) that the Program exist to create, administer, and maintain mutually beneficial and long-lasting partnerships between Vermont and other select countries or provinces;

(B) that the Program promote peace, human rights, and environmental sustainability;

(C) that the Program foster the connection of immigrants and refugee communities in Vermont with their nations of origin;

(D) that the Program promote and foster cultural exchange, tourism, trade, and education between Vermont and Sister States; and

(E) that through the Program, the Committee communicate with and support military personnel, foreign service officers, aid organizations, nongovernmental organizations, Peace Corps volunteers, and any other relevant entities working in Sister States.

(5) the criteria for evaluating proposed and existing Sister State agreements;

(6) the requirements for creating and managing Sister State agreements, including:

(A) the term length for agreements; and

(B) the appropriate number of active agreements at one time; and

(7) any other issue the Working Group deems relevant to the success of the Vermont Sister State Program.

(e) Compensation and reimbursement.

(1) A nonlegislative member 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 Agency of Commerce and Community Development.

(2) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than 10 meetings. These payments shall be made from monies appropriated to the General Assembly.

(f) Reporting.

(1) An initial report on the Working Group's progress on the work set forth in this section shall be submitted to the General Assembly on or before February 15, 2025.

(2) A final report shall include the Working Group's findings and recommendations for legislative language based on the requirements set forth



in this section. The report shall also include the names of the stakeholders that the Working Group heard from during its work. The report shall be submitted to the General Assembly on or before November 1, 2025.

(g) Expiration. The Working Group shall cease to exist on March 31, 2026.

## Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

### **Message from the House No. 65**

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. 888.** An act relating to approval of amendments to the charter of the Town of Hartford.

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

### **Proposal of Amendment; Third Reading Ordered**

#### **H. 644.**

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

An act relating to access to records by individuals who were in foster care.

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. § 4921 is amended to read:

#### § 4921. DEPARTMENT'S RECORDS OF ABUSE AND NEGLECT

(a) Record maintenance and disclosure generally. The Commissioner shall maintain all records of all investigations, assessments, reviews, and responses initiated under this subchapter. The Department may use and disclose information from such records in the usual course of its business, including to

assess future risk to children, to provide appropriate services to the child or members of the child's family, or for other legal purposes.

(b) Duty to inform parents or guardians. The Commissioner shall promptly inform the parents, if known, or guardian of the child that a report has been accepted as a valid allegation pursuant to subsection 4915(b) of this title and the Department's response to the report. The Department shall inform the parent or guardian of ~~his or her~~ the parent's or guardian's ability to request records pursuant to subsection (c) of this section. This section shall not apply if the parent or guardian is the subject of the investigation.

(c) Disclosure of redacted investigation files. Upon request, the redacted investigation file shall be disclosed to:

(1) the child's parents, foster parent, or guardian, absent good cause shown by the Department, provided that the child's parent, foster parent, or guardian is not the subject of the investigation;

(2) the person alleged to have abused or neglected the child, as provided for in subsection 4916a(d) of this title; and

(3) the attorney representing the child in a child custody proceeding in the Family Division of the Superior Court.

(d) Disclosure of records created by the Department. Upon request, Department records created under this subchapter shall be disclosed to:

(1) the court, parties to the juvenile proceeding, and the child's guardian ad litem if there is a pending juvenile proceeding or if the child is in the custody of the Commissioner;

(2) the Commissioner or person designated by the Commissioner to receive such records;

(3) persons assigned by the Commissioner to conduct investigations;

(4) law enforcement officers engaged in a joint investigation with the Department, an Assistant Attorney General, or a State's Attorney;

(5) other State agencies conducting related inquiries or proceedings; ~~and~~

(6) the Office of the Child, Youth, and Family Advocate for the purpose of carrying out the provisions in chapter 32 of this title; and

(e)(1) Disclosure of relevant Department records or information. Upon request, relevant Department records or information created under this subchapter shall be disclosed to:

(A) a person, agency, or organization, including a multidisciplinary team empaneled under section 4917 of this title, authorized to diagnose, care

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for, treat, or supervise a child or family who is the subject of a report or record created under this subchapter, or who is responsible for the child's health or welfare;

(B) health and mental health care providers working directly with the child or family who is the subject of the report or record;

(C) educators working directly with the child or family who is the subject of the report or record;

(D) licensed or approved foster caregivers for the child;

(E) mandated reporters as defined by section 4913 of this subchapter, making a report in accordance with the provisions of section 4914 of this subchapter and engaging in an ongoing working relationship with the child or family who is the subject of the report;

(F) a Family Division of the Superior Court involved in any proceeding in which:

(i) custody of a child or parent-child contact is at issue pursuant to 15 V.S.A. chapter 11, subchapter 3A;

(ii) a parent of a child challenges a presumption of parentage under 15C V.S.A. § 402(b)(3); or

(iii) a parent of a child contests an allegation that he or she fostered or supported a bonded and dependent relationship between the child and a person seeking to be adjudicated a de facto parent under 15C V.S.A. § 501(a)(2);

(G) a Probate Division of the Superior Court involved in guardianship proceedings; and

(H) other governmental entities for purposes of child protection.

(2) Determinations of relevancy shall be made by the Department.

(3) In providing records or information under this subsection, the Department may withhold:

(A) information that could compromise the safety of the reporter or the child or family who is the subject of the report; or

(B) specific details that could cause the child to experience significant mental or emotional stress.

(4) In providing records or information under this section, the Department may also provide other records related to its child protection activities for the child.

(5) Any persons or agencies authorized to receive confidential information under this section may share such information with other persons or agencies authorized to receive confidential information under this section for the purposes of providing services and benefits to the children and families those persons or agencies mutually serve.

(f) Disclosure to prevent harm. Upon request, relevant Department information created under this subchapter may be disclosed to a parent with a reasonable concern that an individual who is residing at least part time with the parent requestor's child presents a risk of abuse or neglect to the requestor's child. As it is used in this subsection, "relevant Department information" shall mean information regarding the individual that the Department determines could avert the risk of harm presented by the individual to the requestor's child. If the Department denies the request for information, the requestor may petition the Family Division of the Superior Court, which may, after weighing the privacy concerns of the individuals involved with the parent's right to protect his or her child, order the release of the information.

(g) Disclosure to adults that were subject to foster care placement.

(1) It is the intent of the General Assembly that it be the policy of the State that:

(A) adults who were subject to placement in State foster care, institutions, and other systemic placements have a statutory right to access their own records in order to more fully understand their own personal stories, including their health, education, family, and other histories; access healing in their chosen way; and be recognized and trusted as legitimate custodians of their own information;

(B) the Department make good faith efforts to disclose such records in the broadest form permitted under applicable federal or State law in order to assist with the administration of Vermont's state plan for foster care and establishing eligibility for programs or services; and

(C) any disclosures made by the Department that are prohibited by applicable federal or State law be construed as good faith efforts of the Department to comply with the State's policy and statutory scheme.

(2) Upon request, Department records created under this subchapter shall be disclosed, at no cost, to an individual who meets the following criteria, to the extent permitted by federal or State law:

(A) the individual is the subject of the records requested;

(B) the individual is 18 years of age or older; and

(C) as a minor, the individual was in foster care or subject to any juvenile judicial proceeding under this title.

(3) In providing records or information pursuant to this subsection, the Department may withhold or redact the following:

(A) identifying information about any person, other than the subject, in which there is a substantial likelihood that a person's safety would be compromised if disclosed;

(B) information that creates a substantial likelihood that would compromise an active law enforcement investigation; or

(C) reports or investigatory records about the subject of the record request in which there is a formal allegation that the subject committed an act of abuse or neglect.

(g)(h) Penalty. Any records or information disclosed under this section and information relating to the contents of those records or reports shall not be disseminated by the receiving persons or agencies to any persons or agencies, other than to those persons or agencies authorized to receive information pursuant to this section. A person who intentionally violates the confidentiality provisions of this section shall be fined not more than \$2,000.00.

Sec. 2. 33 V.S.A. § 5117 is amended to read:

#### § 5117. RECORDS OF JUVENILE JUDICIAL PROCEEDINGS

(a) Except as otherwise provided, court and law enforcement reports and files concerning a person subject to the jurisdiction of the court shall be maintained separate from the records and files of other persons. Unless a charge of delinquency is transferred for criminal prosecution under chapter 52 of this title or the court otherwise orders in the interests of the child, such records and files shall not be open to public inspection nor their contents disclosed to the public by any person. However, upon a finding that a child is a delinquent child by reason of commission of a delinquent act that would have been a felony if committed by an adult, the court, upon request of the victim, shall make the child's name available to the victim of the delinquent act. If the victim is incompetent or deceased, the child's name shall be released, upon request, to the victim's guardian or next of kin.

(b)(1) Notwithstanding the foregoing subsection (a) of this section, inspection of such the records and files by or dissemination of such the records and files to the following is not prohibited:

(A) a court having the child before it in any juvenile judicial proceeding;

(B) the officers of public institutions or agencies to whom the child is committed as a delinquent child;

(C) a court in which a person is convicted of a criminal offense for the purpose of imposing sentence upon or supervising the person, or by officials of penal institutions and other penal facilities to which the person is committed, or by a parole board in considering the person's parole or discharge or in exercising supervision over the person;

(D) the parties to the proceeding, court personnel, the State's Attorney or other prosecutor authorized to prosecute criminal or juvenile cases under State law, the child's guardian ad litem, the attorneys for the parties, probation officers, and law enforcement officers who are actively participating in criminal or juvenile proceedings involving the child;

(E) the child who is the subject of the proceeding, the child's parents, guardian, and custodian may inspect ~~such~~ the records and files upon approval of ~~the Family a Superior Court judge~~;

(F) any other person who has a need to know may be designated by order of the Family Division of the Superior Court;

(G) the Commissioner of Corrections if the information would be helpful in preparing a presentence report, in determining placement, or in developing a treatment plan for a person convicted of a sex offense that requires registration pursuant to 13 V.S.A. chapter 167, subchapter 3;

(H) the Human Services Board and the Commissioner's Registry Review Unit in processes required under chapter 49 of this title;

(I) the Department for Children and Families;

(J) the Office of the Child, Youth, and Family Advocate for the purpose of carrying out the provisions in chapter 32 of this title;

(K) a service provider named in a disposition order adopted by the court, or retained by or contracted with a party to fulfill the objectives of the disposition order, including referrals for treatment and placement;

(L) a court diversion program or youth-appropriate community-based provider to whom the child is referred by the State's Attorney or the court, if the child accepts the referral; ~~and~~

(M) other State agencies, treatment programs, service providers, or those providing direct support to the youth, for the purpose of providing supervision or treatment to the youth; and

(N) an individual who:

- (i) is the subject of the records sought by the request;
- (ii) is 18 years of age or older; and
- (iii) as a minor, was subject to any juvenile judicial proceeding under this title.

(2) Files inspected under this subsection shall be marked: UNLAWFUL DISSEMINATION OF THIS INFORMATION IS A CRIME PUNISHABLE BY A FINE UP TO \$2,000.00.

\* \* \*

### Sec. 3. DEPARTMENT FOR CHILDREN AND FAMILIES; DISCLOSURE CATEGORIES; RECORDKEEPING; REPORT

On or before November 15, 2025, the Department for Children and Families, in consultation with the Office of the Child, Youth, and Family Advocate and the Vermont State Archives and Records Administration, shall provide a written report to the Senate Committee on Government Operations and the House Committee on Government Operations and Military Affairs on its progress implementing 33 V.S.A. § 4921(g). The report shall include:

- (1) the number of requests for records pursuant to 33 V.S.A. § 4921(g);
- (2) the approximate or average amount of staff time required to comply with the requests;
- (3) systemic issues or barriers facing the Department, if any, in fulfilling the requests;
- (4) suggestions for increasing the types of records that are available to youth who have had involvement with the Department; and
- (5) any other information the Department deems pertinent for the General Assembly to consider as the State moves toward broader access of Department records to the youth whose lives are affected by Department involvement.

### Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

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. 707.**

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

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

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. 10 V.S.A. chapter 22A is amended to read:

CHAPTER 22A. WORKFORCE EDUCATION AND TRAINING

\* \* \*

§ 541. OFFICE OF WORKFORCE STRATEGY AND DEVELOPMENT

(a) There is created within the Executive Branch the Office of Workforce Strategy and Development.

(b) The Office of Workforce Strategy and Development shall have the administrative, legal, and technical support of the Department of Labor.

(c) There shall be at least two full-time staff to accomplish the duties of the Office. One of these staff positions shall be the Executive Director of the Office of Workforce Strategy and Development, who shall be an exempt employee and who shall report to and be under the general supervision of the Governor. Another position shall be a staff member, who shall be a classified employee, who shall support the work of the Executive Director, and who shall report to and be under the general supervision of the Executive Director.

(d) The Executive Director of the Office of Workforce Strategy and Development shall:

(1) coordinate the efforts of workforce development in the State;

(2) oversee the affairs of the State Workforce Development Board;

(3) work with State agencies and private partners to:

(A) develop strategies for comprehensive and integrated workforce education and training;

(B) manage the collection of outcome information; and

(C) align workforce efforts with other State strategies; and



(4) perform other workforce development duties as directed by the Governor.

(e) The Governor shall appoint the Executive Director with the advice and consent of the Senate, and the Executive Committee of the State Workforce Development Board may provide a list to the Governor of recommended candidates for Executive Director.

§ 541a. STATE WORKFORCE DEVELOPMENT BOARD; EXECUTIVE COMMITTEE

(a) Board established; duties. Pursuant to the requirements of 29 U.S.C. § 3111, the Governor shall establish the State Workforce Development Board to assist the Governor in the execution of his or her duties under the Workforce Innovation and Opportunity Act of 2014 and to assist the Commissioner of Labor as specified in section 540 of this title.

\* \* \*

(c) Membership. The Board shall consist of the Governor and the following members who are appointed by the Governor and serve at the Governor's pleasure unless otherwise indicated, in conformance with the federal Workforce Innovation and Opportunity Act ~~and who serve at his or her pleasure, unless otherwise indicated (WIOA), and who shall be selected from diverse backgrounds to represent the interests of ethnic and diverse communities and represent diverse regions of the State, including urban, rural, and suburban areas:~~

~~(1) the Commissioner of Labor;~~

~~(2) two members one member of the Vermont House of Representatives, who shall serve for the duration of the biennium, appointed by the Speaker of the House;~~

~~(3)(2) two members one member of the Vermont Senate, who shall serve for the duration of the biennium, appointed by the Senate Committee on Committees;~~

~~(4) the President of the University of Vermont;~~

~~(5) the Chancellor of the Vermont State Colleges;~~

~~(6) the President of the Vermont Student Assistance Corporation;~~

~~(7) a representative of an independent Vermont college or university;~~

~~(8) a director of a regional technical center;~~

~~(9) a principal of a Vermont high school;~~

~~(10) two representatives of labor organizations who have been nominated by a State labor federation;~~

~~(11)(3) two four members who are core program representatives of individuals and organizations who have experience with respect to youth activities, as defined in 29 U.S.C. § 3102(71), as follows:~~

~~(A) the Commissioner of Labor, or designee, for the Adult, Dislocated Worker, and Youth program and Wagner-Peyser;~~

~~(B) the Secretary of Education, or designee, for the Adult Education and Family Literacy Act program;~~

~~(C) the Secretary of Human Services, or designee, for the Vocational Rehabilitation program; and~~

~~(D) the Secretary of Commerce and Community Development or designee;~~

~~(12)(4) two six workforce representatives of individuals and organizations who have experience in the delivery of workforce investment activities, as defined in 29 U.S.C. § 3102(68), as follows:~~

~~(A) two representatives from labor organizations operating in this State who are nominated by a State labor federation;~~

~~(B) one representative from a State-registered apprenticeship program; and~~

~~(C) three representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of individuals with barriers to employment, which may include:~~

~~(i) organizations that serve veterans;~~

~~(ii) organizations that provide or support competitive, integrated employment for individuals with disabilities;~~

~~(iii) organizations that support the training or education needs of eligible youth as described in 20 CFR § 681.200, including representatives of organizations that serve out-of-school youth as described in 20 CFR § 681.210; and~~

~~(iv) organizations that connect volunteers in national or State service programs to the workforce;~~

~~(13) the lead State agency officials with responsibility for the programs and activities carried out by one-stop partners, as described in 29 U.S.C. § 3151(b), or if no official has that responsibility, representatives in the State with responsibility relating to these programs and activities;~~

~~(14) the Commissioner of Economic Development;~~

~~(15) the Secretary of Commerce and Community Development;~~

~~(16) the Secretary of Human Services;~~

~~(17) the Secretary of Education;~~

~~(18) two individuals who have experience in, and can speak for, the training needs of underemployed and unemployed Vermonters; and~~

(5) two elected local government officials who represent a city or town within different regions of the State; and

~~(19)(6) a number of appointees sufficient to constitute a majority of the Board~~ 13 business representatives who:

(A) are owners, chief executives, or operating officers of businesses, and including nonprofits, or other business executives or employers with optimum policymaking or hiring authority, with at least one member representing a small business as defined by the U.S. Small Business Administration;

(B) represent businesses with employment opportunities that reflect in-demand sectors and employment opportunities in the State; and

(C) are appointed from among individuals nominated by State business organizations and business trade associations.

(d) Operation of Board.

(1) Executive Committee.

(A) Creation. There is created an Executive Committee that shall manage the affairs of the Board.

(B) Members. The members of the Executive Committee shall comprise the following:

(i) the Chair of the Board;

(ii) the Commissioner of Labor or designee;

(iii) the Secretary of Education or designee;

(iv) the Secretary of Human Services or designee;

(v) the Secretary Commerce and Community Development or designee;

(vi) two business representatives, appointed by the Chair of the Board, who serve on the Board; and

(vii) two workforce representatives, appointed by the Chair of the Board, who serve on the Board.

(C) Meetings. The Chair of the Board shall chair the Executive Committee. The Executive Committee shall meet at least once monthly and shall hold additional meetings upon call of the Chair.

(D) Duties. The Executive Committee shall have the following duties and responsibilities:

(i) recommend to the Board changes to the Board's rules or bylaws;

(ii) establish one or more subcommittees as it determines necessary and appropriate to perform its work; and

(iii) other duties as provided in the Board's bylaws.

(2) Member representation and vacancies.

(A) A member of the State Board may send a designee ~~that~~ who meets the requirements of subdivision (B) of this subdivision ~~(1)(2)~~ to any State Board meeting, who shall count toward a quorum, and who shall be allowed to vote on behalf of the Board member for whom ~~he or she~~ the individual serves as a designee.

(B) Members of the State Board or their designees who represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority or relevant subject matter expertise within the organizations, agencies, or entities.

~~(C) The members of the Board shall represent diverse regions of the State, including urban, rural, and suburban areas~~ The Chair of the Board shall provide notice within 30 days after a vacancy on the Board to the relevant appointing authority, which shall appoint a replacement within 90 days after receiving notice.

~~(2)(3)~~ Chair. The Governor shall select a chair for the Board from among the business representatives appointed pursuant to subdivision ~~(c)(18)(6)~~ of this section.

~~(3)(4)~~ Meetings. The Board shall meet at least three times annually and shall hold additional meetings upon call of the Chair.

~~(4)(5)~~ Committees; work groups; ad hoc committees. The Chair, in consultation with the Commissioner of Labor, may:

(A) assign one or more members or their designees to standing committees, ad hoc committees, or work groups to carry out the work of the Board; and

(B) appoint one or more nonmembers of the Board to a standing committee, ad hoc committee, or work group and determine whether the individual serves as an advisory or voting member, provided that the number of voting nonmembers on a standing committee shall not exceed the number of Board members or their designees.

\* \* \*

§ 541b. WORKFORCE EDUCATION AND TRAINING; DUTIES OF OTHER STATE AGENCIES, DEPARTMENTS, AND PRIVATE PARTNERS

(a) To ensure the State Workforce Development Board, ~~and~~ the Commissioner of Labor, and the Executive Director of the Office of Workforce Strategy and Development are able to fully perform their duties under this chapter, each agency and department within State government, and each person who receives funding from the State, shall comply within a reasonable period of time with a request for data and information made by the Board, ~~or~~ the Commissioner, or the Executive Director in furtherance of their duties under this chapter.

(b) The Agency of Commerce and Community Development shall coordinate its work in adopting a statewide economic development plan with the activities of the Board, ~~and~~ the Commissioner of Labor, and the Executive Director.

Sec. 2. 2022 Acts and Resolves No. 183, Sec. 5a is amended to read:

Sec. 5a. REGIONAL WORKFORCE EXPANSION SYSTEM

\* \* \*

(c) System infrastructure. The Department shall make investments that improve and expand regional capacity to strengthen networks who assist jobseekers, workers, and employers in connecting.

(1) The Department is authorized to create up to four classified, ~~two-year~~ limited-service positions, with funding allocated to perform the work described in this section, who shall report to the Workforce Development Division and of whom:

\* \* \*

(e) Interim report. On or before ~~January 15, 2023~~ July 15, 2025, the Department shall provide a narrative update on the progress made in hiring staff, establishing interagency agreements, developing regional information exchange systems, and supporting State-level work to expand the labor force to the House and Senate committees of jurisdiction.

(f) Implementation. The Department of Labor shall begin implementing the Regional Workforce Expansion System on or before ~~July 1, 2022~~ September 1, 2024.

### Sec. 3. TASK FORCE TO STUDY DATA MANAGEMENT MODELS

On or before December 15, 2025, the Executive Director of the Office of Workforce Development, in consultation with the Executive Committee of the State Workforce Development Board and the Agency of Digital Services, shall issue a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs regarding the development of a data trust as outlined in model three of the final report of the State Oversight Committee on Workforce Expansion and Development pursuant to 2022 Acts and Resolves No. 183, Sec. 5. The report shall include:

(1) a recommendation on audience, partners, use cases, outcomes, and data required for future workforce, education, and training programs;

(2) a detailed review of the current availability of public and private workforce development and training data, education data, and demographic data, including the integration of data between the State's workforce development and training programs and private programs funded through State funding dollars;

(3) a summary of the progress made in the development of data-sharing relationships with the stewards of identified data sets;

(4) draft legislative language for the creation of a data tool;

(5) the amount of funding necessary to establish and maintain the use of a data tool; and

(6) a summary of other efforts across State government and through the Agency of Digital Services regarding the development of data trusts, along with best practices identified through those efforts.

### Sec. 4. WORKFORCE EDUCATION AND TRAINING LEADERSHIP REVIEW; SOCWED REAUTHORIZATION

(a) Committee reauthorization. The Special Oversight Committee on Workforce Expansion and Development (SOCWED) created pursuant to 2022

Acts and Resolves No. 183, Sec. 5 shall review and propose changes to the leadership and duties set forth in 10 V.S.A. § 540 and shall suggest a set of recommended qualifications to the Governor for consideration for the position of Executive Director of the Office of Workforce Strategy and Development.

(b) Membership. The members appointed to the SOCWED pursuant to 2022 Acts and Resolves No. 183, Sec. 5 shall continue as members of the Committee, except that the Commissioner of Labor or designee shall replace the State Director of Workforce Development on the Committee. Vacancies shall be filled by the relevant appointing authority pursuant to 2022 Acts and Resolves No. 183, Sec. 5.

(c) Meetings.

(1) The Commissioner of Labor or designee shall call the first meeting of the Committee to occur on or before June 1, 2024.

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

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

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

(d) Powers and duties.

(1) The Committee, in consultation with the Office of Legislative Counsel, shall review 10 V.S.A. § 540 and engage with workforce development stakeholders to:

(A) evaluate the effectiveness of the current language in statute; and

(B) determine, due to changes in the State Workforce Development Board as set forth in this act, how the authorities and responsibilities for the coordination of workforce education and training set forth in 10 V.S.A. § 540 should be modified to ensure there is effective and comprehensive leadership in workforce development, education, and training between the Commissioner of Labor, the Executive Director of the Office of Workforce Strategy and Development, and any other relevant authorities.

(2) The Committee, in consultation with the Executive Committee of the State Workforce Development Board and the Department of Human Resources, shall develop qualifications to recommend to the Governor for consideration for the position of Executive Director of the Office of Workforce Strategy and Development.

(e) Assistance. For purposes of:

(1) administrative and technical support, the Committee shall have the assistance of the Office of Legislative Operations;

(2) drafting recommended legislation, the Committee shall have the assistance the Office of Legislative Counsel; and

(3) drafting recommended job qualifications, the Committee shall have the assistance the Department of Human Resources.

(f) Requirements.

(1) The Committee shall submit recommended job qualifications pursuant to subdivision (d)(2) of this section to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General on or before October 15, 2024.

(2) The Committee shall submit recommended legislative language pursuant to subdivision (d)(1)(B) of this section to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General on or before November 30, 2024.

(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 eight meetings. Payments to members of the Committee authorized under this subdivision (g)(1) shall be made from monies appropriated to the General Assembly.

(2) A nonlegislative member 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 eight meetings. Payments to members of the Committee authorized under this subdivision (g)(2) shall be made from monies appropriated to the Department of Labor.

(h) Expiration. The Committee shall cease to exist on January 15, 2025.

Sec. 5. STATE WORKFORCE DEVELOPMENT BOARD TRANSITION PERIOD

(a) An appointing authority for the State Workforce Development Board pursuant to 10 V.S.A. § 541a(c) shall make all appointments as required to the Board on or before September 1, 2024.

(b) A member of the State Workforce Development Board on June 30, 2024, except for the Governor, and unless appointed or placed on the Board



after the passage of this act pursuant to 10 V.S.A. § 541a(c), shall cease being a member of the Board on July 1, 2024.

(c) Notwithstanding subsection (b) of this section, an appointing authority pursuant to 10 V.S.A. § 541a(c) may reappoint the same individual as a member to the Board after passage of this act.

(d) Members of the Board appointed by the Governor shall serve initial staggered terms with eight members serving three-year terms, eight members serving two-year terms, and seven members serving one-year terms.

(e) The Governor shall appoint a chair of the Board pursuant to 10 V.S.A. § 541a(d)(3) on or before August 1, 2024.

(f) The Board shall amend the Board's WIOA Governance Document to align it pursuant to the terms of this act on or before February 1, 2025.

#### Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2024, except that Sec. 4 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 Economic Development, Housing and General Affairs.

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

### **Proposals of Amendment; Third Reading Ordered**

#### **H. 794.**

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

An act relating to services provided by the Vermont Veterans' Home.

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

First: In Sec. 1, 20 V.S.A. § 1714, powers and duties of the Board, after subdivision (15), by inserting a subdivision (16) to read as follows:

(16) Establish a nursing home in Vermont to provide services and supports to Vermont veterans who do not reside at the Home, provided that the

nursing home shall comply with all applicable State and federal licensing and regulatory requirements.

Second: In Sec. 2, 20 V.S.A. § 1717, in subdivision (b)(2), by striking out the following: “1714(5), (13), (14), and (15)” and inserting in lieu thereof the following: 1714(5), (13), (14), (15), and (16)

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

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

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

### **Proposal of Amendment; Third Reading Ordered**

#### **H. 871.**

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

An act relating to the development of an updated State aid to school construction program.

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:

\* \* \* State Aid to School Construction \* \* \*

Sec. 1. 16 V.S.A. § 3441 is added to read:

#### § 3441. FACILITIES MASTER PLAN GRANT PROGRAM; REPORT

(a) Intent. It is the intent of the General Assembly that the Facilities Master Plan Grant Program established pursuant to this section shall enable supervisory unions and independent career and technical education districts to develop a supervisory union level vision for all school buildings that meets the educational needs and goals of the supervisory union. The goal of a facilities master plan shall be to facilitate an evaluation of the capacity of existing facilities to deliver on identified 21st century educational goals. A facilities master plan shall also enable and require supervisory unions to engage in intentional and robust conversations with the larger community that will hopefully lead to the successful passage of bonds needed to support the

renovation or construction needs of the supervisory union. It is the intent of the General Assembly that awards shall be granted in accordance with this section and in a manner that allows a maximum number of supervisory unions and independent career and technical education districts to successfully complete facilities master plans.

(b) Definition. As used in this section, “supervisory union” has the same meaning as in subdivision 11(a)(23) of this title and includes supervisory districts and independent career and technical education districts.

(c) Establishment. There is established the Facilities Master Plan Grant Program to be administered by the Agency of Education, from funds appropriated for this purpose to supervisory unions and independent career and technical education districts to support the development of educational facilities master plans. Grant funds may be used to hire a consultant to assist in the development of the master plan with the goal of developing a final master plan that complies with State construction aid requirements.

(d) Standards for the disbursement of funds. The Agency shall develop standards for the disbursement of grant funds in accordance with the following:

(1) Grants shall be awarded to applicants with the highest facilities needs. The Agency shall develop a prioritization formula based on an applicant’s poverty factor and average facilities condition index score. The Agency shall develop or choose a poverty metric to use for the prioritization formula. The Agency may give priority to applications with a regionalization focus that consist of more than one supervisory union or independent career and technical education district that apply as a consortium.

(2) Award amounts shall be commensurate with the gross square footage of buildings located within the applicable supervisory union or career and technical education district.

(3) The Agency shall develop minimum requirements for an educational facilities master plan, which shall include, at a minimum, the following elements:

(A) a description of the educational mission, vision, and goals of the supervisory union;

(B) a description of educational programs and services offered by the supervisory union;

(C) the performance of a space utilization assessment;

(D) the identification of new program needs;

(E) the development of enrollment projections;

(F) the performance of a facilities assessment; and

(G) information regarding the various design options explored to address the supervisory union's identified needs.

(e) Report. Annually on or before December 31, the Agency shall submit to the House and Senate Committees on Education a written report with information on the implementation of the grant program created in this section.

#### Sec. 2. REPEAL; FACILITIES MASTER PLAN GRANT PROGRAM

16 V.S.A. § 3441 (Facilities Master Plan Grant Program) as added by this act is repealed on June 30, 2029.

#### Sec. 3. PREQUALIFIED ARCHITECTURE AND ENGINEERING CONSULTANTS

On or before October 15, 2024, the Agency of Education shall coordinate with the Department of Buildings and General Services to develop prequalification criteria for alternative project delivery consultants and architecture and engineering firms specializing in kindergarten through grade 12 school design and construction. The Department shall assist the Agency in distributing requests for qualifications and in reviewing the resulting responses for approval and prequalification. The Department shall maintain the list of prequalified firms and consultants and shall make the list available to school districts and supervisory unions.

#### Sec. 4. STATE AID FOR SCHOOL CONSTRUCTION WORKING GROUP; REPORT

(a) Creation. There is created the State Aid for School Construction Working Group to study and design a plan for a statewide school construction aid program.

(b) Membership. The Working Group 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; and

(3) the Secretary of Education, or designee.

(c) Powers and duties.

(1) The Working Group shall study and create a recommended plan for a statewide school construction aid program, including recommendations on

implementation. To facilitate its understanding of school construction projects and other school construction state aid programs, the Working Group may travel to conduct site visits at schools or other state programs. In creating its recommendations, the Working Group shall address the following topics, building from the recommendations contained in the report of the School Construction Aid Task Force, created in 2023 Acts and Resolves No. 78, Sec. E.131.1:

(A) Governance. The Working Group shall study other state governance models for school construction aid programs, including inviting testimony from school officials from those states, and make a recommendation for a governance model for Vermont that aligns with the other funding and programmatic recommendations of the Working Group. Governance recommendations shall include recommendations on staffing levels and a stable appropriation for the funding of the recommended governance structure.

(B) Prioritization criteria. The Working Group shall make recommendations on State aid prioritization criteria that will drive funding towards projects that are aligned to the State's educational policies and priorities.

(C) Eligibility criteria. The Working Group shall consider, at a minimum, the following State aid eligibility criteria:

(i) appropriate maintenance and operations budgeting at the supervisory union level;

(ii) a requirement for eligible supervisory unions to have a five-year capital plan;

(iii) a facility condition index maximum level that would preclude eligibility but may qualify a building for a State share percentage bonus to replace the building;

(iv) a requirement for a supervisory union master planning process that would require consideration of the adaptive reuse of schools;

(v) a prohibition on exclusionary zoning regulations that would preclude lesser resourced families from living in the applicable school district; and

(vi) whether costs associated with repurposing a non-school building to use as a school should be included in a State aid to school construction program;

(D) State base share. The Working Group shall make recommendations as to whether to include a State base share and if so, whether it shall be based on student or community poverty factors. The Working

Group shall consider factors such as local taxing capacity, student poverty data, environmental justice metrics, and energy burden metrics.

(E) Incentives. The Working Group shall consider the use of incentives or State share bonuses that align with Vermont's educational priorities with the goal of efficient and sustainable use of taxpayer supported school construction aid to improve student learning environments and opportunities. The Working Group shall consider appropriate limits on cumulative incentives and whether incentives shall be bundled for eligibility. Policy areas to consider for incentives include:

(i) school safety and security;

(ii) health;

(iii) educational enhancements;

(iv) overcrowding solutions;

(v) environmental performance;

(vi) newer and fewer buildings;

(vii) historic preservation;

(viii) major renovations to improve PreK–12 systems educational alignment and capacity;

(ix) replacement of facilities with a current facility condition index of 65 percent or higher, in combination with other policy area incentives; and

(x) schools identified with actionable levels of airborne PCBs and other identified environmental hazards in critical education spaces.

(F) Assurance and certification process.

(i) The Working Group shall make recommendations for an assurance and certification process and shall consider, at a minimum, the following:

(I) a district's commitment to adequate funding for ongoing maintenance and operations of any State-funded improvements;

(II) a district's assurance that it will provide adequate training for facilities and custodial staff to properly operate and maintain systems funded through State aid;

(III) a district to complete a full commissioning process as a requirement to receive State funds at the end of the project; and

(IV) a clerk of the works throughout the lifespan of the project.

(ii) The Working Group shall also consider whether the assurance and certification process shall be eligible for State funding support, as well as whether a preferred vendor list for the commissioning process and clerk of the works is advisable.

(G) Environmental hazards and contaminants. The Working Group shall make recommendations that approach environmental hazards and contaminants in a comprehensive manner, incorporating existing programs into the school construction aid program where possible.

(H) Pre-program construction aid. The Working Group shall consider whether and to what extent State aid should be made available to school districts that begin construction projects prior to the establishment or renewal of a State school construction aid program.

(I) Current law. The Working Group shall review State statutes and State Board of Education rules that concern or impact school construction and make recommendations to the General Assembly for any amendments necessary to align with the Working Group's proposed construction aid program.

(J) Efficiencies. The Working Group shall identify areas where economizations or efficiencies might be gained in the creation of the program, including consideration of the following:

(i) a prequalification process for consultants with experience in the planning, renovation, and construction of kindergarten through grade 12 schools; and

(ii) cost containment strategies such as the use of building templates for new construction, alternative project delivery, and consideration of risk transfer.

(K) Fiscal modeling. The Working Group shall align the proposed construction aid program with fiscal modeling produced by the Joint Fiscal Office.

(L) School Construction Planning Guide. The Working Group shall review the Vermont School Construction Planning Guide and make recommendations for any amendments necessary to align with the Working Group's proposed construction aid program.

(M) Population considerations. The Working Group shall consider and make recommendations as to whether, and if so, how, the unique needs of different populations shall be taken into account in developing a statewide school construction aid program, including the following populations:

- (i) elementary students;
- (ii) high school students;
- (iii) supervisory unions with low population density, as defined by 16 V.S.A. § 4010(b)(2); and
- (iv) any other population the Working Group deems relevant to its work and recommendations.

(N) Grant opportunities. The Working Group shall consider and make recommendations as to whether, and if so, how State and federal grant opportunities shall impact the Working Group's proposed construction aid program.

(O) Utilization of renewable energy. The Working Group shall make recommendations that approach the utilization of renewable energy in a comprehensive manner, incorporating existing programs and laws into the school construction aid program where possible.

(P) Additional considerations. The Working Group may consider any other topic, factor, or issue that it deems relevant to its work and recommendations.

(2) The Working Group shall consult with the following entities in developing its proposed plan to ensure all applicable areas of Vermont law and federal funding opportunities are taken into consideration:

- (A) the Agency of Education;
- (B) the Agency of Natural Resources;
- (C) the Department of Public Safety, Division of Fire Safety;
- (D) the Natural Resources Board;
- (E) the Agency of Commerce and Community Development, Division for Historic Preservation;
- (F) the U.S. Department of Education;
- (G) U.S. Department of Agriculture, Rural Development;
- (H) the Vermont School Boards Association;
- (I) the Vermont Superintendents Association;
- (J) the Vermont Principals' Association;
- (K) the Vermont National Education Association;
- (L) the Vermont Bond Bank;



(M) the Vermont Legal Aid Disability Law Project;

(N) the Department of Disabilities, Aging, and Independent Living, Deaf, Hard of Hearing, DeafBlind Services;

(O) Vermont's Congressional Delegation; and

(P) any other entity the Working Group deems relevant to its work.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Agency of Education, the Office of Legislative Counsel, the Joint Fiscal Office, and the Office of Legislative Operations.

(e) Proposed legislation. On or before December 15, 2024, the Working Group shall submit its findings and recommendations in the form of proposed legislation to the General Assembly.

(f) Meetings.

(1) The Office of Legislative Counsel shall call the first meeting of the Working Group to occur on or before August 1, 2024.

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

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

(4) The Working Group shall cease to exist on December 31, 2024.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, members of the Working Group 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.

#### Sec. 5. APPROPRIATION; STATE AID FOR SCHOOL CONSTRUCTION WORKING GROUP

The sum of \$15,000.00 is appropriated from the General Fund to the General Assembly in fiscal year 2025 for the purpose of funding travel by the State Aid for School Construction Working Group pursuant to Sec. 4, subsection (c) of this act and per diem compensation and reimbursement of expenses pursuant to Sec. 4, subsection (g) of this act.

\* \* \* Public Construction Bids \* \* \*

Sec. 6. 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.

\* \* \*

\* \* \* Effective Date \* \* \*

## Sec. 7. 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.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Education with the following amendments thereto:

First: In Sec. 4, State Aid for School Construction Working Group; report, in subsection (g), by striking out “10 meetings” and inserting in lieu thereof six meetings unless additional meetings are authorized jointly by the Speaker of the House and the President Pro Tempore, with a maximum of up to 10 meetings

Second: By striking out Sec. 5, appropriation; State Aid for School Construction Working Group, in its entirety and inserting in lieu thereof a new Sec. 5 to read as follows:

Sec. 5. [Deleted.]

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 Education was amended as recommended by the Committee on Appropriations.

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

**Proposal of Amendment; Third Reading Ordered**

**H. 81.**

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

An act relating to fair repair of agricultural equipment.

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

Sec. 1. FINDINGS AND PURPOSE

(a) Findings. The General Assembly finds:

(1) The Vermont food, agriculture, and forest sectors are significant components of the State's economy, its rural heritage, and its identity as a State.

(A) According to the Working Lands Enterprise Initiative, about 20 percent of Vermont's land is used for agriculture, while another 78 percent is forested. In surveys conducted by the Initiative, over 97 percent of Vermonters expressed that they value the working landscape.

(B) The 2023 U.S. Food and Agriculture Industries Economic Impact Study found that the food and agriculture industries in Vermont were associated with nearly 104,000 jobs, \$5.2 billion in wages, and \$19.3 billion in economic output.

(C) The Vermont Sustainable Jobs Fund estimates that Vermont's forest products industry generates an annual economic output of \$1.4 billion and supports 10,500 jobs.

(2) Agricultural and forestry activity varies by season, is weather-dependent, and is heavily reliant on having access to increasingly sophisticated agricultural and forestry equipment. Vermont farmers' and foresters' access to safe and reliable equipment is essential to timely planting, cultivating, tilling, and harvesting of produce, protein, grain, timber, and other wood forest products.

(3) The COVID-19 pandemic further highlighted the increased and ongoing need for functional agricultural and forestry equipment as individuals in Vermont increasingly rely on the equipment to guarantee access to food and wood products during periods of supply chain disruption, raw material and commodities shortages, and heightened food insecurity.

(4) Authorized repair providers are important Vermont businesses that play a critical role for farmers and foresters by offering access to diagnosis, maintenance, and repair services for agricultural and forestry equipment.

(5) In general, original equipment manufacturers and authorized repair providers are able to provide independent repair providers and owners with adequate access to necessary parts for agricultural and forestry equipment. However, in order to maintain complex safety and emissions systems,

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limitations on software-related repairs implemented by original equipment manufacturers have led to frustration for some customers.

(6) Due to workforce, seasonal workload, and geographic constraints, authorized repair providers are not always able to meet the demand for timely diagnosis, maintenance, or repair services to farmers and foresters in this State.

(7) As for many Vermont employers, critical workforce shortages prevent authorized repair providers from operating at full staff capacity, which can contribute to costly delays in performing diagnosis, maintenance, and repair services.

(8) The need for more accessible and affordable repair options is felt more acutely among specific sectors of the population, notably Vermont residents in more rural and remote areas.

(9) Original equipment manufacturer shops and authorized repair providers are sometimes not located close to owners or independent repair providers, which may require owners or independent repair providers to travel long distances for repair or to be without functioning agricultural or forestry equipment for longer periods of time.

(10) Owners may be capable of performing their own diagnosis, maintenance, and repair services for their equipment.

(11) Independent repair providers play a vital role in Vermont's economy. Providing access to information, parts, and diagnostic and repair tools is essential in contributing to a competitive repair market and allowing independent repair shop employees to fix equipment safely.

(12) Extending the useful life and efficient operation of equipment may provide additional benefits for farmers, foresters, and the environment.

(A) Computerized components of modern agricultural and forestry equipment include precious metals that are finite.

(B) Emissions of agricultural and forestry equipment are better regulated and limited by functional software and hardware computer elements, thereby increasing the need for access to timely and effective repairs to ensure optimal functionality that is within the confines of federal regulatory limitations and existing technology needed to preserve intellectual property.

(13) Broader distribution of the information, tools, and parts necessary to repair modern agricultural and forestry equipment may shorten repair times, lengthen the useful lives of the equipment, lower costs for users, and benefit the environment.

(b) Purpose. The purpose of this act is to ensure equitable access to the parts, tools, and documentation that are necessary for independent repair providers and owners to perform timely repair of agricultural and forestry equipment in a safe, secure, reliable, and sustainable manner.

Sec. 2. SHORT TITLE

This act may be cited as the Fair Repair Act.

Sec. 3. 9 V.S.A. chapter 106 is added to read:

CHAPTER 106. AGRICULTURAL AND FORESTRY EQUIPMENT;  
FAIR REPAIR

§ 4051. DEFINITIONS

As used in this chapter:

(1) “Agricultural equipment” means a device, part of a device, or an attachment to a device used principally off road and designed solely for an agricultural purpose, including a tractor, trailer, or combine; implements for tillage, planting, or cultivation; and other equipment principally associated with livestock or crop production, horticulture, or floriculture.

(2)(A) “Authorized repair provider” means an individual or business that has an arrangement with the original equipment manufacturer under which the original equipment manufacturer grants to the individual or business a license to use a trade name, service mark, or other proprietary identifier for the purposes of offering the services of diagnosis, maintenance, or repair of equipment under the name of the original equipment manufacturer or other arrangement with the original equipment manufacturer to offer such services on behalf of the original equipment manufacturer.

(B) An original equipment manufacturer that offers the services of diagnosis, maintenance, or repair of its own equipment and that does not have an arrangement described in subdivision (A) of this subdivision (2) with an unaffiliated individual or business shall be considered an authorized repair provider with respect to such equipment.

(3) “Documentation” means any manual, diagram, reporting output, service code description, schematic diagram, security code, password, or other guidance or information, whether in an electronic or tangible format, to perform the services of diagnosis, maintenance, or repair of agricultural or forestry equipment.

(4) “Forestry equipment” means nondivisible equipment, implements, accessories, and contrivances used principally off road and designed solely for

harvesting timber or for on-site processing of wood forest products necessary to and associated with a logging operation.

(5) “Independent repair provider” means a person operating in this State, either through a physical business location or through a mobile service that offers on-site repairs in the State, that does not have an arrangement described in subdivision (2) of this section with an original equipment manufacturer and that is engaged in the services of diagnosis, maintenance, or repair of agricultural or forestry equipment.

(6) “Memorandum of understanding” means an agreement that is:

(A) related to the right to repair of agricultural or forestry equipment;

(B) not legally binding; and

(C) between the original equipment manufacturer and the American Farm Bureau Federation or similar organization that advocates on behalf of farmers or loggers.

(7) “Original equipment manufacturer” means a person engaged in the business of selling, leasing, or otherwise supplying new agricultural or forestry equipment manufactured by or on behalf of itself to any individual or business.

(8) “Owner” means an individual or business that owns or leases agricultural or forestry equipment used in this State.

(9) “Part” means any replacement part, either new or used, made available by an original equipment manufacturer for purposes of effecting the services of maintenance or repair of agricultural or forestry equipment manufactured by or on behalf of, sold or otherwise supplied by, the original equipment manufacturer.

(10) “Repair” means to maintain, diagnose, or fix agricultural or forestry equipment resulting in the equipment being returned to its original equipment manufacturer specifications. “Repair” does not include the ability to:

(A) modify from original equipment specifications the embedded software or code;

(B) change any equipment or engine settings that negatively affect emissions or safety compliance; or

(C) download or access the source code of any embedded software or code.

(11) “Tools” means any software program, hardware implement, or other apparatus used for diagnosis, maintenance, or repair of agricultural or

forestry equipment, including software or other mechanisms required to restore the product to its original manufacturer, including any updates.

(12) “Trade secret” has the same meaning as provided in 18 U.S.C. § 1839.

§ 4052. AVAILABILITY OF PARTS, TOOLS, AND DOCUMENTATION

(a) Duty to make available parts, tools, and documentation.

(1) An original equipment manufacturer shall offer for sale or otherwise make available to an independent repair provider or owner the parts, tools, and documentation for diagnosis or repair.

(2) If agricultural or forestry equipment includes an electronic security lock or other security-related function that must be unlocked, enabled, or disabled to perform diagnosis, maintenance, or repair of the equipment, an original equipment manufacturer may require a secured authorization process in order to prevent access to the source code or infringement of intellectual property in software or hardware owned by the original equipment manufacturer or licensed to the original equipment manufacturer by a third party and subject to terms of use.

(3) An original equipment manufacturer may satisfy its obligation to make parts, tools, and documentation available to an independent repair provider or owner through an authorized repair provider that consents to sell or make available parts, tools, or documentation on behalf of the manufacturer.

(b) Terms; limitations. Under the terms governing the sale or provision of parts, tools, and documentation, an original equipment manufacturer shall not impose on an independent repair provider or owner an additional cost or burden that is not reasonably necessary within the ordinary course of business or is designed to be an impediment on the independent repair provider or owner, including:

(1) a substantial obligation to use, or a restriction on the use of, the parts, tools, or documentation necessary to diagnose, maintain, or repair agricultural or forestry equipment;

(2) a condition that the independent repair provider or owner become an authorized repair provider of the original equipment manufacturer; or

(3) an additional burden or material change that adversely affects the timeliness or method of delivering parts, tools, or documentation.

§ 4053. ATTORNEY GENERAL ENFORCEMENT; NOTICE

(a) A violation of this section shall be deemed a violation of the Consumer Protection Act, 9 V.S.A. chapter 63, provided that no private right of action



shall arise from the provisions of this act. The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under 9 V.S.A. chapter 63, subchapter 1.

(b) The Attorney General shall be notified in writing by the original equipment manufacturer not later than 30 days after a memorandum of understanding expires or has been terminated, withdrawn, or canceled by an original equipment manufacturer subject to this chapter.

#### § 4054. APPLICATION; LIMITATIONS

(a) This chapter does not require an original equipment manufacturer to divulge a trade secret to an owner or an independent repair provider.

(b) This chapter does not alter the terms of any arrangement described in subdivision 4051(2)(A) of this title in force between an authorized repair provider and an original equipment manufacturer, including the performance or provision of warranty or recall repair work by an authorized repair provider on behalf of an original equipment manufacturer pursuant to such arrangement, except that any provision governing such an arrangement that purports to waive, avoid, restrict, or limit the original equipment manufacturer's obligations to comply with this chapter is void and unenforceable.

(c) This chapter does not alter the terms of a lease of agricultural or forestry equipment between an owner and another person.

(d) An independent repair provider or owner shall not:

(1) modify agricultural or forestry equipment to temporarily deactivate safety notification systems, except as necessary to provide diagnosis, maintenance, or repair services;

(2) access any function of a tool that enables the independent repair provider or owner to change the settings for a piece of agricultural or forestry equipment in a manner that brings the equipment out of compliance with the original manufacturer specifications or any applicable federal, state, or local safety or emissions laws; or

(3) obtain or use parts, tools, or documentation to evade or violate emissions, copyright, trademark, or patent laws or to engage in any other illegal activity.

(e) Original equipment manufacturers and authorized repair providers are not liable for faulty or otherwise improper repairs completed by independent repair providers or owners, including repairs that cause:

(1) damage to agricultural or forestry equipment that occurs during such repairs; and

(2) an inability to use, or the reduced functionality of, agricultural or forestry equipment resulting from the faulty or otherwise improper repair.

(f) In the event that federal law preempts part of the activity regulated by this chapter, this chapter shall be construed to regulate activity that has not been preempted.

(g) This chapter shall not apply to an original equipment manufacturer that has entered into a memorandum of understanding that substantially incorporates the provisions of this chapter. In the event that a memorandum of understanding expires or is terminated, withdrawn, or canceled, the original equipment manufacturer shall be required to comply with all provisions of this chapter no later than 30 days upon such termination, withdrawal, cancellation, or expiration.

#### Sec. 4. EFFECTIVE DATE

This act shall take effect on January 1, 2026.

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.

### **Proposals of Amendment; Third Reading Ordered**

#### **H. 745.**

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

An act relating to the Vermont Parentage Act.

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

First: By adding a new section to be Sec. 11a to read as follows:

Sec. 11a. 15C V.S.A. § 802(f) is added to read:

(f) A surrogacy agreement that substantially complies with this section and section 801 of this title is enforceable.

Second: By adding five new sections to be Secs. 13a–e to read as follows:

Sec. 13a. 15 V.S.A. § 293 is amended to read:

§ 293. WHEN PARENTS LIVE SEPARATELY

(a) When parents of minor children, or parents and stepparents of minor children, whether said parents are married or unmarried, are living separately, on the complaint of either parent or stepparent or, if it is a party in interest, the Department for Children and Families, the Family Division of the Superior Court may make such decree concerning parental rights and responsibilities and parent-child contact (as defined in section 664 of this title), and the support of the children, as in cases where either parent deserts or without just cause fails to support the children. Thereafter on the motion of either of the parents, the stepparent, or the Department for Children and Families, the court may annul, vary, or modify the decrees.

(b) Any legal presumption of parentage as set forth in ~~section 308 of this title~~ 15C V.S.A. § 401 or an unrescinded acknowledgment of parentage signed by the parties and executed in accordance with 15C V.S.A. § 301 shall be sufficient basis for initiating a support action under this section without any further proceedings to establish parentage. ~~If a party raises an objection to the presumption, the court may determine the issue of parentage as part of the support action. If no written objection to the presumption is raised, an order under this section shall constitute a judgment on the issue of parentage.~~

Sec. 13b. REPEAL

15 V.S.A. § 294 (man in the house) is repealed.

Sec. 13c. 15 V.S.A. § 295 is amended to read:

§ 295. SUBSTITUTE HUSBAND AND FATHER SERVICE OF COMPLAINT

When a complaint is made under section ~~292, 293 or 294~~ of this title, a summons shall be issued to the other party directing ~~him to cause his appearance therein to be entered~~ such person to appear not later than 21 days after the date of the service thereof and show cause why ~~the prayer of the complaint should not be granted, which.~~ The summons and the complaint shall be served on ~~such~~ the party as provided by ~~section 596 or by section 597 of this title~~ Rule 4.0 of the Vermont Rules for Family Proceedings. After the filing of ~~such~~ the complaint, the Superior Court in which the cause is pending, or any Superior judge, may, on application of either party make such order concerning the care and custody of the minor children during the pendency of the complaint, as is deemed expedient and for the benefit of such children.

Sec. 13d. 15 V.S.A. § 780(7) is amended to read:

(7) “Support order” means any judgment, order, or contract for support enforceable in this state State, including, ~~but not limited to~~, orders issued pursuant to:

(A) 15 V.S.A. ~~chapter~~ chapters 5 (relating to desertion and support and parentage), ~~7 (relating to URESA) or~~ and 11 (relating to annulment and divorce);

(B) 15B V.S.A. chapters 1–19 (relating to Uniform Interstate Family Support Act); and

(C) 15C V.S.A. chapters 1–8 (relating to parentage proceedings).

Sec. 13e. 15C V.S.A. § 808(a) is amended to read:

(a) Not enforceable. A gestational carrier agreement that does not substantially meet the requirements of this chapter is not enforceable.

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

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

### **House Proposal of Amendment Concurred In**

#### **S. 184.**

House proposal of amendment to Senate bill entitled:

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

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. PURPOSE; AUTOMATED TRAFFIC LAW ENFORCEMENT

The purpose of this act is to improve work crew safety and reduce traffic crashes in limited-access highway work zones by establishing an automated traffic law enforcement (ATLE) pilot program that uses radar and cameras to enforce speeding violations against the registered owner of the violating motor vehicle.

Sec. 1a. 23 V.S.A. chapter 15 is amended to read:

#### CHAPTER 15. POWERS OF ENFORCEMENT OFFICERS

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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 10 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 an individual certified by the Vermont Criminal Justice Council as a Level II or Level III law enforcement officer under 20 V.S.A. § 2358 and is a State Police officer, municipal police officer, sheriff, or deputy sheriff; or a constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a.

(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 investigate the benefits of automated law enforcement for speeding violations as a way 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.

(1) 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.

(2) The Agency, in consultation with the Department of Public Safety, may require the vendor to maintain a storage system to store any recorded images or other data collected by the ATLE system. Any storage system shall adhere to the use, retention, and limitation requirements pursuant to this section.

(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, provided that:

(1) the Agency shall document through an appropriate engineering analysis that the location meets highway 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;

(B) a demonstration that the equipment is operating properly before and after daily use;

(C) a verification that the signage and equipment placement meet applicable highway standards; and

(D) 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 for not fewer than three years 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 an independent calibration laboratory. The calibration laboratory shall issue a signed certificate of calibration after the annual calibration check, which shall be retained for not fewer than three years

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;

(G) contain a notice of language access services in accordance with federal and state law; and

(H) 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. A notice of violation issued under this subdivision shall be mailed not more than 30 days after the date of the violation. A notice mailed after 30 days is void.

(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 mailed not more than 90 days after the date of the violation. A notice mailed 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 with prejudice upon showing by the owner, by a preponderance of the evidence, 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 Agency of Transportation, in consultation with the Department of Public Safety, shall establish a review process to ensure that recorded images are used only for the purposes permitted by this section. The Agency of Transportation 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.

(1) Limitations.

(1) ATLE systems shall only record violations of this section and shall not be used for any other purpose, including 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) Notwithstanding any applicable law to the contrary, the Agency of Transportation may permit the vendor to coordinate with designated law enforcement agencies to obtain a recorded image from the vendor to determine whether a violation of this section occurred within the prior 12 months.

§ 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 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 seek 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 Agency of Transportation, in consultation with the Department of Public Safety, shall implement a public outreach campaign not later than April 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)(1) The public outreach campaign shall disseminate information on ATLE systems through the Agency of Transportation’s web page and through other mediums such as social media platforms, community posting websites, radio, television, and printed materials.

(2) The information disseminated pursuant to subdivision (1) of this subsection shall be available in languages other than English that are commonly spoken in Vermont and neighboring states whose residents travel to Vermont. The Agency of Transportation shall consult with the Office of Racial Equity and Vermont language services organizations to determine the appropriate languages for translation.

#### 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 10 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 an individual certified by the Vermont Criminal Justice Council as a Level II or Level III law enforcement officer under 20 V.S.A. § 2358 and is a State Police officer, municipal police officer, sheriff, or deputy sheriff; or a constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a. [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 10 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. 1a (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.

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

**Rules Suspended; Bills Messaged**

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

**S. 30, H. 289, H. 614, H. 661, H. 847.**

**Rules Suspended; Action Messaged**

On motion of Senator Baruth, the rules were suspended, and the action on the following bill was order ordered messaged to the House forthwith.

**S. 184.**

**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.

**Bill Referred**

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

**H. 888.** An act relating to approval of amendments to the charter of the Town of Hartford.

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

### **Rules Suspended**

On motion of Senator Baruth, the rules were suspended, and the following bills were severally placed in all remaining stages of passage:

**H. 534, H. 644, H. 707, H. 794, H. 871, H. 745.**

### **Bills Passed in Concurrence with Proposals of Amendment**

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

**H. 534.** An act relating to retail theft.

**H. 644.** An act relating to access to records by individuals who were in foster care.

**H. 707.** An act relating to revising the delivery and governance of the Vermont workforce system.

**H. 794.** An act relating to services provided by the Vermont Veterans' Home.

**H. 871.** An act relating to the development of an updated State aid to school construction program.

**H. 745.** An act relating to the Vermont Parentage Act.

### **House Proposal of Amendment Concurred In with Proposal of Amendment**

#### **S. 58.**

House proposal of amendment to Senate bill entitled:

An act relating to public 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:

\* \* \* 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:

(A) using a firearm while committing a felony in violation of 13 V.S.A. § 4005, or an attempt to commit that offense;

(B) trafficking a regulated drug in violation of 18 V.S.A. chapter 84, subchapter 1, or an attempt to commit that offense; or

(C) aggravated stalking as defined in 13 V.S.A. § 1063(a)(3), or an attempt to commit that offense.

(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 or subdivision (c)(2) or (3) of this section before attaining 19 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. 1a. 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 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) or subdivision 5201(c)(2) or (3) 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.

(b) If it appears to a Criminal Division of the Superior Court that the defendant had attained 14 years of age but not 18 years of age at the time an offense specified in subsection 5204(a) or subdivision 5201(c)(2) or (3) of this title was alleged to have been committed, that court may 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 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) or subdivision 5201(c)(2) or (3) 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. 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.~~

(b)(1) The State's Attorney of the county where the juvenile petition is pending may move in the Family Division of the Superior Court for an order transferring jurisdiction under subsection (a) of this section at any time prior to adjudication on the merits. The filing of the motion to transfer jurisdiction shall automatically stay the time for the hearing provided for in section 5225 of this title, which stay shall remain in effect until such time as the Family Division of the Superior Court may deny the motion to transfer jurisdiction.

(2)(A)(i) The Family Division of the Superior Court shall hold a hearing under subsection (c) of this section to determine whether jurisdiction should be transferred to the Criminal Division under subsection (a) of this section if the delinquent act set forth in the petition is:

(I) ~~a felony violation of 18 V.S.A. chapter 84 for selling or trafficking a regulated drug [Repealed.];~~

(II) human trafficking or aggravated human trafficking in violation of 13 V.S.A. § 2652 or 2653;

(III) defacing a firearm's serial number in violation of 13 V.S.A. § 4024; or

(IV) straw purchasing of firearm in violation of 13 V.S.A. § 4025; and

(ii) the child had attained 16 years of age but not 19 years of age at the time the act was alleged to have occurred.

\* \* \*

\* \* \* 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(e)) 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 or subdivision (c)(2) or (3) of this section 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) or subdivision 5201(c)(2) or (3) 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) or subdivision 5201(c)(2) or (3) 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 Agency of Human Services 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 progress toward implementation of the Raise the Age initiative, as measured by qualitative and quantitative data related to the following priorities:

- (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) “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. § 4233a is amended to read:

§ 4233a. FENTANYL

(a) Selling or dispensing.

(1) A person knowingly and unlawfully dispensing fentanyl shall be imprisoned not more than three years or fined not more than \$75,000.00, or

both. A person knowingly and unlawfully selling fentanyl shall be imprisoned not more than five years or fined not more than \$100,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing fentanyl in an amount consisting of four milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl shall be imprisoned not more than 10 years or fined not more than \$250,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing fentanyl in an amount consisting of 20 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl shall be imprisoned not more than 20 years or fined not more than \$1,000,000.00, or both.

(4) In lieu of a charge under this subsection, but in addition to any other penalties provided by law, a person knowingly and unlawfully selling or dispensing any regulated drug containing a detectable amount of fentanyl shall be imprisoned not more than five years or fined not more than \$250,000.00, or both.

(b) Trafficking. A person knowingly and unlawfully possessing fentanyl in an amount consisting of 70 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl with the intent to sell or dispense the fentanyl shall be imprisoned not more than 30 years or fined not more than \$1,000,000.00, or both. There shall be a permissive inference that a person who possesses fentanyl in an amount of 70 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl intends to sell or dispense the fentanyl. The amount of possessed fentanyl under this subsection to sustain a charge of conspiracy under 13 V.S.A. § 1404 shall be not less than 70 milligrams in the aggregate.

(c) Transportation into the State. In addition to any other penalties provided by law, a person knowingly and unlawfully transporting more than 20 milligrams of fentanyl into Vermont with the intent to sell or dispense the fentanyl shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(d) As used in this section, “knowingly” means:

(1) the defendant had actual knowledge that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; or

(2) the defendant:

(A) subjectively believed that there is a high probability that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; and

(B) took deliberate actions to avoid learning that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter.

Sec. 15. 18 V.S.A. § 4234 is amended to read:

§ 4234. DEPRESSANT, STIMULANT, AND NARCOTIC DRUGS

(a) Possession.

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

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

(2) A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, consisting of 100 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than five years or fined not more than \$25,000.00, or both.

(3) A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, consisting of 1,000 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(4) A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, consisting of 10,000 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 20 years or fined not more than \$500,000.00, or both.

(b) Selling or dispensing.

(1) A person knowingly and unlawfully dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, shall be imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling a depressant, stimulant, or narcotic drug, other than fentanyl, cocaine, or heroin, shall be imprisoned not more than five years or fined not more than \$25,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, consisting of 100 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, consisting of 1,000 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 20 years or fined not more than \$500,000.00, or both.

(4) As used in this subsection, “knowingly” means:

(A) the defendant had actual knowledge that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; or

(B) the defendant:

(i) subjectively believed that there is a high probability that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; and

(ii) took deliberate actions to avoid learning that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter.

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

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

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

Sec. 16. 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. 17. 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.

(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 findings on the record that the sentence will serve the interests of justice.

Sec. 18. 18 V.S.A. § 4252a is added to read:

§ 4252a. UNLAWFUL DRUG ACTIVITY IN A DWELLING; FLASH CITATION

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.

Sec. 19. 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.

\* \* \* Report \* \* \*

Sec. 20. WORKING GROUP ON TRANSFERS OF JUVENILE  
PROCEEDINGS FROM THE FAMILY DIVISION TO THE  
CRIMINAL DIVISION

(a) On or before December 15, 2025, a joint report on options for creating an expedited process for transfers of juvenile proceedings from the Family Division of the Superior Court to the Criminal Division of the Superior Court shall be submitted to the House and Senate Committees on Judiciary by a working group composed of the following parties:

(1) the Chief Superior Judge or designee, who shall be chair of the working group;

(2) the Defender General or designee;

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

(4) the Commissioner of the Department for Children and Families or designee.

(b) the report required by this section may be in the form of proposed legislation and shall include recommendations on the following topics:

(1) the changes in law that would be necessary if the Vermont juvenile justice system were restructured so that all cases alleging criminal violations by youths under 19 years of age started in the Family Division of the Superior Court, including alleged violations of 33 V.S.A. §§ 5204(a) and 5201(c)(2) or (3);

(2) whether cases alleging criminal violations by youths under 20 years of age should also begin in the Family Division; and



(3) statutory options for creating an expedited court process for more serious offenses that would permit transfer of proceedings from the Family Division of the Superior Court to the Criminal Division of the Superior Court without requiring the full transfer hearing process of 33 V.S.A. § 5204, including the offenses and offender age ranges that would qualify for the expedited process.

\* \* \* Effective Dates \* \* \*

Sec. 21. EFFECTIVE DATES

(a) Secs. 1–6, 12–20, and this section shall take effect on July 1, 2024.

(b) Secs. 7–11 shall take effect on April 1, 2025.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Sears moved that the Senate concur in the House proposal of amendment with further proposals of amendment as follows:

First: In Sec. 14, 18 V.S.A. § 4233a, by striking out subsection (d) in its entirety and inserting in lieu thereof the following:

(d) As used in this section, “knowingly” means actual knowledge that one or more preparations, compounds, mixtures, or substances contain fentanyl or consciously ignoring a substantial risk that one or more preparations, compounds, mixtures, or substances contain fentanyl.

Second: In Sec. 15, 18 V.S.A. § 4234, by striking out subdivision (b)(4) in its entirety and inserting in lieu thereof the following:

(4) As used in this section, “knowingly” means actual knowledge that one or more preparations, compounds, mixtures, or substances contain the regulated drug identified in this section or consciously ignoring a substantial risk that one or more preparations, compounds, mixtures, or substances contain the regulated drug identified in this section.

Third: In Sec. 16, 18 V.S.A. § 4233b, by adding a subsection (d) to read as follows:

(d) As used in this section, “knowingly” means actual knowledge that one or more preparations, compounds, mixtures, or substances contain xylazine or consciously ignoring a substantial risk that one or more preparations, compounds, mixtures, or substances contain xylazine.

Fourth: By adding a new section to be Sec. 17a to read as follows:

Sec. 17a. VERMONT SENTENCING COMMISSION; PERMISSIVE  
INFERENCE

Not later than October 15, 2024, the Vermont Sentencing Commission shall make a recommendation to the General Assembly whether in 18 V.S.A. § 4250, selling or dispensing with death resulting, there should 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.

Fifth: In Sec. 18, 18 V.S.A. § 4252a, after the first sentence, by inserting the following:

Unless the person is held without bail for another offense, the State's Attorney shall request conditions of release. The court may include as a condition of release that the person is prohibited from coming within a fixed distance of the dwelling.

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

**House Proposal of Amendment Concurred In**

**S. 186.**

House proposal of amendment to Senate bill entitled:

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

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. 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 that choose to obtain certification. The certification program shall incorporate those elements of the existing certification program operated by the Vermont Alliance for 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 environment; and

(C) data collection requirements related to resident outcomes;

(6) establish the required policies and procedures regarding the provision of services by recovery residences, including policies and procedures related to:

(A) resident rights, including the following minimum standards for residential agreements:

(i) contents of initial resident agreements;

(ii) resident discharge policies;

(iii) length of time a bed shall be held for a resident who temporarily exits a recovery residence; and

(iv) criteria by which a resident can return to the recovery residence in the event of a temporary removal;

(B) resident use of legally prescribed medications; and

(C) promoting quality and positive outcomes for residents;

(7) recommend an appropriate term for a noncertified recovery residence; and

(8) identify minimum reporting requirements about recovery residences by the certifying body, including reports on the temporary and permanent removal of residents, which the certifying body shall aggregate for regular submission to the Department.

(b) In developing the certification program recommendations required pursuant to this section, the Department shall consider:

(1) available funding streams to sustainably maintain and expand recovery residence services throughout the State;

(2) how to address barriers that limit the availability of recovery residences;

(3) recovery residence models used in other states and their applicability to Vermont; and

(4) how to engage noncertified recovery residences in the certification process.

(c) On or before January 15, 2025, 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 provides tenants with peer support and assistance accessing support services and community resources available to persons recovering from substance use disorders.

## Sec. 2. ASSESSMENT; GROWTH AND EVALUATION OF RECOVERY RESIDENCES

(a) The Department of Health shall complete an assessment of certified and noncertified recovery residences in the State, which shall:

(1) create a comprehensive inventory of all recovery residences in Vermont, including assessments of proximity to employment, recovery, and other community resources;

(2) assess the current capacity, knowledge, and ability of recovery residences to inform data collection and improve outcomes for residents;

(3) assess recovery residences’ potential for future data collection capacity; and

(4) assess the types of data systems currently in use in Vermont’s recovery residences and defining the minimum core components of a data system.

(b) The Department may obtain technical assistance to complete the assessment required pursuant to subsection (a) of this section.

(c) On or before December 15, 2025, 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.

(d) As used in this section, “recovery residence” means a shared living residence supporting persons recovering from a substance use disorder that provides tenants with peer support and assistance accessing support services and community resources available to persons recovering from substance use disorders.

Sec. 3. 9 V.S.A. § 4452 is amended to read:

§ 4452. EXCLUSIONS

(a) Unless created to avoid the application of this chapter, this chapter does not apply to any of the following:

\* \* \*

(b)(1) Notwithstanding subsections 4463(b) and 4467(b) and section 4468 of this chapter only, a recovery residence may immediately exit or transfer a resident if all of the following conditions are met:

(A) the recovery residence has developed and adopted a residential agreement:

(i) containing a written exit and transfer policy approved by the Vermont Alliance for Recovery Residences or another certifying organization approved by the Department of Health that:

(I) addresses the length of time that a bed will be held in the event of a temporary removal;

(II) establishes the criteria by which a resident can return to the recovery residence in the event of a temporary removal; and

(III) ensures a resident’s possessions will be held not less than 60 days in the event of permanent removal;

(ii) designating alternative housing arrangements for the resident in the event of an exit or transfer, including contingency plans when alternative housing arrangements are not available;

(iii) describing the recovery residence’s substance use policy, which shall exempt the use of a resident’s valid prescription medication when used as prescribed; and

(iv) indicating that by signing a residential agreement, a resident acknowledges that the recovery residence may cause the resident to be immediately exited or transferred to alternative housing if the resident violates the recovery residence’s substance use policy or engages in acts of violence that threaten the health or safety of other residents;

(B) the recovery residence has obtained the resident's written consent to its residential agreement, reaffirmed after seven days;

(C) the resident violated the substance use policy in the residential agreement or engaged in acts of violence that threatened the health or safety of other residents; and

(D) the recovery residence has provided or arranged for a stabilization bed or other alternative temporary housing.

(2) Relapse of a substance use disorder resulting in exiting a recovery residence shall not be deemed a cause of the resident's own homelessness for purposes of obtaining emergency housing.

(3) As used in this subsection, "recovery residence" means a shared living residence supporting persons recovering from a substance use disorder that:

(A) provides tenants with peer support and assistance accessing support services and community resources available to persons recovering from substance use disorders; and

(B) 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.

#### Sec. 4. REPORT; RECOVERY RESIDENCES' EXIT AND TRANSFER DATA

(a) On or before January 1, 2025 and 2026, a recovery residence shall report to the certifying body for the recovery residence any exit or transfer of a resident by the recovery residence in the previous year and the asserted basis for exiting or transferring the resident.

(b) On or before January 15, 2025 and 2026, the certifying body for a recovery residence shall report to the Department of Health the data received under subsection (a) of this section.

(c) On or before February 1, 2025 and 2026, the Department of Health shall submit the data received under subsection (b) of this section to the House Committees on General and Housing and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare.

(d) The 2025 report shall contain preliminary data from the previous six months and the 2026 report shall contain data from the preceding year.

(e) 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.

Sec. 5. SUNSET; RECOVERY RESIDENCES; RESIDENTIAL AGREEMENT; REPORTING

(a) 9 V.S.A. § 4452(b) is repealed on July 1, 2026.

(b) Sec. 4 (report; recovery residences' exit and transfer data) is repealed on July 1, 2026.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

**Rules Suspended; Bills on Notice Calendar for Immediate Consideration**

On motion of Senator Baruth, the rules were suspended, and the following bills, appearing on the Calendar for notice, were ordered to be brought up for immediate consideration:

**S. 98, S. 213, S. 301, H. 862, H. 869, H. 872.**

**Third Reading Ordered**

**H. 862.**

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

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

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.

**Third Reading Ordered**

**H. 869.**

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

An act relating to approval of the merger of Brandon Fire District No. 1 and Brandon Fire District No. 2.

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.

**Third Reading Ordered**

**H. 872.**

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

An act relating to miscellaneous updates to the powers of the Vermont Criminal Justice Council and the duties of law enforcement officers.

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.

**House Proposal of Amendment Concurred In with Proposal of Amendment**

**S. 301.**

House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous agricultural subjects.

Was taken up.

The House proposes to the Senate to amend the bill by striking out 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) “Reactor” means an animal that tests positive to any official test required under this chapter.

(11) ~~(13)~~ “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.

(12) ~~(14)~~ “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 or proposing to operate 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.

\* \* \* Sale of Dogs and Cats by Pet Shops \* \* \*

Sec. 20. 20 V.S.A. chapter 194, subchapter 4 is added to read:

Subchapter 4. Prohibiting Sale by Pet Shop

§ 3931. SALE OF DOGS, CATS, AND WOLF-HYBRIDS BY PET SHOP;  
PROHIBITED

(a) Except as provided in subsection (b) of this section, a pet shop shall not offer a dog, cat, or wolf-hybrid for sale.

(b) The prohibition under subsection (a) of this section shall not apply to a pet shop that lawfully offered animals for sale prior to July 1, 2024, provided that the pet shop complies with all of the following:

(1) the pet shop maintains a valid license under section 3906 of this title;

(2) the pet shop remains in the same ownership as existed on July 1, 2024; and

(3) the pet shop keeps for sale or offers for sale in any calendar year no greater a number of dogs, cats, or wolf-hybrids than it kept for sale or offered for sale in calendar year 2023.

(c) In order to qualify for the exception under subsection (b) of this section, a pet shop shall provide to the Secretary of Agriculture, Food and Markets, in a form and manner prescribed by the Department, documentation of the ownership of the pet shop on July 1, 2024 as well as the number of animals offered for sale in 2023 and annually thereafter.

(d) Notwithstanding the prohibition on the sale of dogs, cats, and wolf hybrids under subsection (a) of this section, a pet shop may provide space to an animal shelter or a rescue organization offering dogs, cats, or wolf-hybrids to the public for adoption for an adoption fee, provided that the pet shop:

(1) does not have any ownership interest in the dogs, cats, or wolf-hybrids offered for adoption; and

(2) does not receive any fee for providing space or for the adoption of any of the dogs, cats, or wolf-hybrids.

(e) A person who violates subsection (a) of this section shall be assessed a civil penalty of not more than \$1,000.00 and shall be subject to the suspension or revocation of the person's pet shop license. Each instance of a person offering an animal for sale in violation of this section constitutes a separate violation.

\* \* \* Effective Date \* \* \*

#### Sec. 21. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment? Senators Collamore, Campion, Starr, Westman and Wrenner move that the Senate concur in the House proposal of amendment with further proposal of amendment by striking out Sec. 21, effective date, and its reader assistance heading in their entireties and inserting in lieu thereof two new sections to be Secs. 21 and 22 and their reader assistance headings to read as follows:

\* \* \* Sale of Bear Parts \* \* \*

Sec. 21. 10 V.S.A. § 4783 is amended to read:

§ 4783. PURCHASE AND SALE OF BIG GAME

(a) A person shall not buy or sell big game or the meat of big game within the State except during the open season and for 20 days thereafter, provided that a person shall not sell the paws or internal organs of a black bear separate from the animal as a whole unless authorized under subsection (b) as a taxidermy product.

(b) Notwithstanding subsection (a) of this section, a person may buy or sell at any time:

(1) the head, hide, and hoofs of deer or moose legally taken; or

(2) the head, or hide, paws, and internal organs of a black bear, legally taken, provided that taxidermy products that include the paws shall not be prohibited.

(c) Neither anadromous Atlantic salmon taken in the Connecticut River Basin nor wild turkey shall be bought or sold at any time. The meat of big game animals shall not be bought or sold for the purpose of being transported out of the State.

\* \* \* Effective Date \* \* \*

#### Sec. 22. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

#### **Rules Suspended; Bills Messaged**

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

**S. 58, S. 301, H. 534, H. 644, H. 707, H. 745, H. 794, H. 871.**

#### **Rules Suspended; Action Messaged**

On motion of Senator Baruth, the rules were suspended, and the action on the following bill was ordered messaged to the House forthwith:

**S. 186.**

#### **Adjournment**

On motion of Senator Baruth, the Senate adjourned until ten o'clock in the forenoon on Wednesday, May 8, 2024.

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**WEDNESDAY, MAY 8, 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. 66**

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:

**H. 655.** An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records.

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 bills originating in the Senate of the following titles:

**S. 192.** An act relating to forensic facility admissions criteria and processes.

**S. 195.** An act relating to how a defendant's criminal record is considered in imposing conditions of release.

**S. 204.** An act relating to supporting Vermont's young readers through evidence-based literacy instruction.

**S. 254.** An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program.

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

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

**Message from the House No. 67**

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

And has passed the same in concurrence.

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

**S. 259.** An act relating to climate change cost recovery.

And has passed 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 proposal of amendment to Senate bill of the following title:

**S. 209.** An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers.

And has concurred therein.

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

**H. 173.** An act relating to prohibiting manipulating a child for the purpose of sexual contact.

And has concurred therein.

**Rules Suspended; Bill Not Referred to Committee on Appropriations**

**H. 585**

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

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

*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.



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**Rules Suspended; Committee Relieved of Further Consideration; Bill Committed**

**H. 702.**

On motion of Senator Sears, the Committee on Appropriations was relieved of further consideration of House bill entitled:

An act relating to legislative operations and government accountability.

And the bill was committed to the Committee on Judiciary with the report of the Committee on Government Operations *intact*.

**Bill Referred to Committee on Finance**

**H. 885.**

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 an amendment to the charter of the Town of Berlin.

**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. 55.** An act relating to miscellaneous unemployment insurance amendments.

**H. 233.** An act relating to licensure and regulation of pharmacy benefit managers.

**H. 622.** An act relating to emergency medical services.

**H. 873.** An act relating to financing the testing for and remediation of the presence of polychlorinated biphenyls (PCBs) in schools.

**Bill Referred**

Pursuant to Temporary Rule 44A the following bill having failed to meet cross-over and referred to the Committee on Rules was released and referred as follows:

**H. 888.** An act relating to approval of amendments to the charter of the Town of Hartford

To the Committee on Government Operations.

**Proposal of Amendment; Third Reading Ordered****H. 121.**

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

An act relating to enhancing consumer privacy.

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. 9 V.S.A. chapter 61A is added to read:

CHAPTER 61A. VERMONT DATA PRIVACY ACT

§ 2415. DEFINITIONS

As used in this chapter:

(1) “Abortion” has the same meaning as in section 2492 of this title.

(2)(A) “Affiliate” means a legal entity that shares common branding with another legal entity or controls, is controlled by, or is under common control with another legal entity.

(B) As used in subdivision (A) of this subdivision (2), “control” or “controlled” means:

(i) ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a company;

(ii) control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or

(iii) the power to exercise controlling influence over the management of a company.

(3) “Authenticate” means to use reasonable means to determine that a request to exercise any of the rights afforded under subdivisions 2418(a)(1)–(5) of this title is being made by, or on behalf of, the consumer who is entitled to exercise the consumer rights with respect to the personal data at issue.

(4)(A) “Biometric data” means personal data generated from the technological processing of an individual’s unique biological, physical, or physiological characteristics that is linked or reasonably linkable to an individual, including:

(i) iris or retina scans;

(ii) fingerprints;

(iii) facial or hand mapping, geometry, or templates;

(iv) vein patterns;

(v) voice prints; and

(vi) gait or personally identifying physical movement or patterns.

(B) “Biometric data” does not include:

(i) a digital or physical photograph;

(ii) an audio or video recording; or

(iii) any data generated from a digital or physical photograph, or an audio or video recording, unless such data is generated to identify a specific individual.

(5) “Broker-dealer” has the same meaning as in 9 V.S.A. § 5102.

(6) “Business associate” has the same meaning as in HIPAA.

(7) “Child” has the same meaning as in COPPA.

(8)(A) “Consent” means a clear affirmative act signifying a consumer’s freely given, specific, informed, and unambiguous agreement to allow the processing of personal data relating to the consumer.

(B) “Consent” may include a written statement, including by electronic means, or any other unambiguous affirmative action.

(C) “Consent” does not include:

(i) acceptance of a general or broad terms of use or similar document that contains descriptions of personal data processing along with other, unrelated information;

(ii) hovering over, muting, pausing, or closing a given piece of content; or

(iii) agreement obtained through the use of dark patterns.

(9)(A) “Consumer” means an individual who is a resident of the State.

(B) “Consumer” does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit, or government agency whose communications or transactions with the controller occur solely within the context of that individual’s role with the company, partnership, sole proprietorship, nonprofit, or government agency.

(10) “Consumer health data” means any personal data that a controller uses to identify a consumer’s physical or mental health condition or diagnosis, including gender-affirming health data and reproductive or sexual health data.

(11) “Consumer health data controller” means any controller that, alone or jointly with others, determines the purpose and means of processing consumer health data.

(12) “Consumer reporting agency” has the same meaning as in the Fair Credit Reporting Act, 15 U.S.C. § 1681a(f);

(13) “Controller” means a person who, alone or jointly with others, determines the purpose and means of processing personal data.

(14) “COPPA” means the Children’s Online Privacy Protection Act of 1998, 15 U.S.C. § 6501–6506, and any regulations, rules, guidance, and exemptions promulgated pursuant to the act, as the act and regulations, rules, guidance, and exemptions may be amended.

(15) “Covered entity” has the same meaning as in HIPAA.

(16) “Credit union” has the same meaning as in 8 V.S.A. § 30101.

(17) “Dark pattern” means a user interface designed or manipulated with the substantial effect of subverting or impairing user autonomy, decision-making, or choice and includes any practice the Federal Trade Commission refers to as a “dark pattern.”

(18) “Decisions that produce legal or similarly significant effects concerning the consumer” means decisions made by the controller that result in the provision or denial by the controller of financial or lending services, housing, insurance, education enrollment or opportunity, criminal justice, employment opportunities, health care services, or access to essential goods or services.

(19) “De-identified data” means data that does not identify and cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable individual, or a device linked to the individual, if the controller that possesses the data:

(A)(i) takes reasonable measures to ensure that the data cannot be used to re-identify an identified or identifiable individual or be associated with an individual or device that identifies or is linked or reasonably linkable to an individual or household;

(ii) for purposes of this subdivision (A), “reasonable measures” shall include the de-identification requirements set forth under 45 C.F.R.

§ 164.514 (other requirements relating to uses and disclosures of protected health information);

(B) publicly commits to process the data only in a de-identified fashion and not attempt to re-identify the data; and

(C) contractually obligates any recipients of the data to satisfy the criteria set forth in subdivisions (A) and (B) of this subdivision (19).

(20) “Educational institution” has the same meaning as “educational agency or institution” in 20 U.S.C. § 1232g (family educational and privacy rights);

(21) “Financial institution”:

(A) as used in subdivision 2417(a)(12) of this title, has the same meaning as in 15 U.S.C. § 6809; and

(B) as used in subdivision 2417(a)(14) of this title, has the same meaning as in 8 V.S.A. § 11101.

(22) “Gender-affirming health care services” has the same meaning as in 1 V.S.A. § 150.

(23) “Gender-affirming health data” means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer’s receipt of, gender-affirming health care services, including:

(A) precise geolocation data that is used for determining a consumer’s attempt to acquire or receive gender-affirming health care services;

(B) efforts to research or obtain gender-affirming health care services; and

(C) any gender-affirming health data that is derived from nonhealth information.

(24) “Genetic data” means any data, regardless of its format, that results from the analysis of a biological sample of an individual, or from another source enabling equivalent information to be obtained, and concerns genetic material, including deoxyribonucleic acids (DNA), ribonucleic acids (RNA), genes, chromosomes, alleles, genomes, alterations or modifications to DNA or RNA, single nucleotide polymorphisms (SNPs), epigenetic markers, uninterpreted data that results from analysis of the biological sample or other source, and any information extrapolated, derived, or inferred therefrom.

(25) “Geofence” means any technology that uses global positioning coordinates, cell tower connectivity, cellular data, radio frequency identification, wireless fidelity technology data, or any other form of location

detection, or any combination of such coordinates, connectivity, data, identification, or other form of location detection, to establish a virtual boundary.

(26) “Health care facility” has the same meaning as in 18 V.S.A. § 9432.

(27) “Heightened risk of harm to a minor” means processing the personal data of a minor in a manner that presents a reasonably foreseeable risk of:

(A) material physical or financial injury to a minor;

(B) emotional distress, as that term is defined in 13 V.S.A. § 1061(2), to a minor;

(C) a highly offensive intrusion on the reasonable privacy expectations of a minor;

(D) the encouragement of excessive or compulsive use of an online service, product, or feature by a minor; or

(E) discrimination against the minor based upon the minor’s race, ethnicity, sex, disability, sexual orientation, gender identity, gender expression, or national origin.

(28) “HIPAA” means the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191, and any regulations promulgated pursuant to the act, as may be amended.

(29) “Identified or identifiable individual” means an individual who can be readily identified, directly or indirectly, including by reference to an identifier such as a name, an identification number, specific geolocation data, or an online identifier.

(30) “Independent trust company” has the same meaning as in 8 V.S.A. § 2401.

(31) “Investment adviser” has the same meaning as in 9 V.S.A. § 5102.

(32) “Mental health facility” means any health care facility in which at least 70 percent of the health care services provided in the facility are mental health services.

(33) “Nonpublic personal information” has the same meaning as in 15 U.S.C. § 6809.

(34)(A) “Online service, product, or feature” means any service, product, or feature that is provided online, except as provided in subdivision (B) of this subdivision (33).

(B) “Online service, product, or feature” does not include:

(i) telecommunications service, as that term is defined in the Communications Act of 1934, 47 U.S.C. § 153;

(ii) broadband internet access service, as that term is defined in 47 C.F.R. § 54.400 (universal service support); or

(iii) the delivery or use of a physical product.

(35) “Patient identifying information” has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records).

(36) “Patient safety work product” has the same meaning as in 42 C.F.R. § 3.20 (patient safety organizations and patient safety work product).

(37)(A) “Personal data” means any information, including derived data and unique identifiers, that is linked or reasonably linkable to an identified or identifiable individual or to a device that identifies, is linked to, or is reasonably linkable to one or more identified or identifiable individuals in a household.

(B) “Personal data” does not include de-identified data or publicly available information.

(38)(A) “Precise geolocation data” means personal data derived from technology that accurately identifies within a radius of 1,850 feet a consumer’s present or past location or the present or past location of a device that links or is linkable to a consumer or any data that is derived from a device that is used or intended to be used to locate a consumer within a radius of 1,850 feet by means of technology that includes a global positioning system that provides latitude and longitude coordinates.

(B) “Precise geolocation data” does not include the content of communications or any data generated by or connected to advanced utility metering infrastructure systems or equipment for use by a utility.

(39) “Process” or “processing” means 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, or modification of personal data.

(40) “Processor” means a person who processes personal data on behalf of a controller.

(41) “Profiling” means any form of automated processing performed on personal data to evaluate, analyze, or predict personal aspects related to an identified or identifiable individual’s economic situation, health, personal preferences, interests, reliability, behavior, location, or movements.

(42) “Protected health information” has the same meaning as in HIPAA.

(43) “Pseudonymous data” means personal data that cannot be attributed to a specific individual without the use of additional information, provided the additional information is kept separately and is subject to appropriate technical and organizational measures to ensure that the personal data is not attributed to an identified or identifiable individual.

(44) “Publicly available information” means information that:

(A) is lawfully made available through federal, state, or local government records or widely distributed media; or

(B) a controller has a reasonable basis to believe a consumer has lawfully made available to the general public.

(45) “Qualified service organization” has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records);

(46) “Reproductive or sexual health care” has the same meaning as “reproductive health care services” in 1 V.S.A. § 150(c)(1).

(47) “Reproductive or sexual health data” means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer’s receipt of, reproductive or sexual health care.

(48) “Reproductive or sexual health facility” means any health care facility in which at least 70 percent of the health care-related services or products rendered or provided in the facility are reproductive or sexual health care.

(49)(A) “Sale of personal data” means the exchange of a consumer’s personal data by the controller to a third party for monetary or other valuable consideration.

(B) “Sale of personal data” does not include:

(i) the disclosure of personal data to a processor that processes the personal data on behalf of the controller;

(ii) the disclosure of personal data to a third party for purposes of providing a product or service requested by the consumer;

(iii) the disclosure or transfer of personal data to an affiliate of the controller;

(iv) the disclosure of personal data where the consumer directs the controller to disclose the personal data or intentionally uses the controller to interact with a third party;

(v) the disclosure of personal data that the consumer:



(I) intentionally made available to the general public via a channel of mass media; and

(II) did not restrict to a specific audience; or

(vi) the disclosure or transfer of personal data to a third party as an asset that is part of a merger, acquisition, bankruptcy or other transaction, or a proposed merger, acquisition, bankruptcy, or other transaction, in which the third party assumes control of all or part of the controller's assets.

(50) "Sensitive data" means personal data that:

(A) reveals a consumer's government-issued identifier, such as a Social Security number, passport number, state identification card, or driver's license number, that is not required by law to be publicly displayed;

(B) reveals a consumer's racial or ethnic origin, national origin, citizenship or immigration status, religious or philosophical beliefs, or union membership;

(C) reveals a consumer's sexual orientation, sex life, sexuality, or status as transgender or nonbinary;

(D) reveals a consumer's status as a victim of a crime;

(E) is financial information, including a consumer's tax return and account number, financial account log-in, financial account, debit card number, or credit card number in combination with any required security or access code, password, or credentials allowing access to an account;

(F) is consumer health data;

(G) is personal data collected and analyzed concerning consumer health data or personal data that describes or reveals a past, present, or future mental or physical health condition, treatment, disability, or diagnosis, including pregnancy, to the extent the personal data is not used by the controller to identify a specific consumer's physical or mental health condition or diagnosis;

(H) is biometric or genetic data;

(I) is personal data collected from a known child;

(J) is a photograph, film, video recording, or other similar medium that shows the naked or undergarment-clad private area of a consumer; or

(K) is precise geolocation data.

(51)(A) "Targeted advertising" means displaying an advertisement to a consumer where the advertisement is selected based on personal data obtained or inferred from that consumer's activities over time and across nonaffiliated

internet websites or online applications to predict the consumer's preferences or interests.

(B) "Targeted advertising" does not include:

(i) an advertisement based on activities within a controller's own websites or online applications;

(ii) an advertisement based on the context of a consumer's current search query, visit to a website, or use of an online application;

(iii) an advertisement directed to a consumer in response to the consumer's request for information or feedback; or

(iv) processing personal data solely to measure or report advertising frequency, performance, or reach.

(52) "Third party" means a person, such as a public authority, agency, or body, other than the consumer, controller, or processor or an affiliate of the processor or the controller.

(53) "Trade secret" has the same meaning as in section 4601 of this title.

(54) "Victim services organization" means a nonprofit organization that is established to provide services to victims or witnesses of child abuse, domestic violence, human trafficking, sexual assault, violent felony, or stalking.

#### § 2416. APPLICABILITY

(a) Except as provided in subsection (b) of this section, this chapter applies to a person that conducts business in this State or a person that produces products or services that are targeted to residents of this State and that during the preceding calendar year:

(1) controlled or processed the personal data of not fewer than 25,000 consumers, excluding personal data controlled or processed solely for the purpose of completing a payment transaction; or

(2) derived more than 50 percent of the person's gross revenue from the sale of personal data.

(b) Sections 2420 and 2426 of this title, and the provisions of this chapter concerning consumer health data and consumer health data controllers apply to a person that conducts business in this State or a person that produces products or services that are targeted to residents of this State.

#### § 2417. EXEMPTIONS

(a) This chapter does not apply to:

(1) a federal, State, tribal, or local government entity in the ordinary course of its operation;

(2) protected health information that a covered entity or business associate processes in accordance with, or documents that a covered entity or business associate creates for the purpose of complying with HIPAA;

(3) information used only for public health activities and purposes described in 45 C.F.R. § 164.512 (disclosure of protected health information without authorization);

(4) information that identifies a consumer in connection with:

(A) activities that are subject to the Federal Policy for the Protection of Human Subjects, codified as 45 C.F.R. part 46 (HHS protection of human subjects) and in various other federal regulations;

(B) research on human subjects undertaken in accordance with good clinical practice guidelines issued by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use;

(C) activities that are subject to the protections provided in 21 C.F.R. parts 50 (FDA clinical investigations protection of human subjects) and 56 (FDA clinical investigations institutional review boards); or

(D) research conducted in accordance with the requirements set forth in subdivisions (A) through (C) of this subdivision (a)(4) or otherwise in accordance with applicable law;

(5) patient identifying information that is collected and processed in accordance with 42 C.F.R. part 2 (confidentiality of substance use disorder patient records);

(6) patient safety work product that is created for purposes of improving patient safety under 42 C.F.R. part 3 (patient safety organizations and patient safety work product);

(7) information or documents created for the purposes of the Healthcare Quality Improvement Act of 1986, 42 U.S.C. § 11101–11152, and regulations adopted to implement that act;

(8) information that originates from, that is intermingled so as to be indistinguishable from, or that is treated in the same manner as information described in subdivisions (2)–(7) of this subsection that a covered entity, business associate, or a qualified service organization program creates, collects, processes, uses, or maintains in the same manner as is required under

the laws, regulations, and guidelines described in subdivisions (2)–(7) of this subsection;

(9) information processed or maintained solely in connection with, and for the purpose of, enabling:

(A) an individual’s employment or application for employment;

(B) an individual’s ownership of, or function as a director or officer of, a business entity;

(C) an individual’s contractual relationship with a business entity;

(D) an individual’s receipt of benefits from an employer, including benefits for the individual’s dependents or beneficiaries; or

(E) notice of an emergency to persons that an individual specifies;

(10) any activity that involves collecting, maintaining, disclosing, selling, communicating, or using information for the purpose of evaluating a consumer’s creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living if done strictly in accordance with the provisions of the Fair Credit Reporting Act, 15 U.S.C. § 1681–1681x, as may be amended, by:

(A) a consumer reporting agency;

(B) a person who furnishes information to a consumer reporting agency under 15 U.S.C. § 1681s-2 (responsibilities of furnishers of information to consumer reporting agencies); or

(C) a person who uses a consumer report as provided in 15 U.S.C. § 1681b(a)(3) (permissible purposes of consumer reports);

(11) information collected, processed, sold, or disclosed under and in accordance with the following laws and regulations:

(A) the Driver’s Privacy Protection Act of 1994, 18 U.S.C. § 2721–2725;

(B) the Airline Deregulation Act, Pub. L. No. 95-504, only to the extent that an air carrier collects information related to prices, routes, or services, and only to the extent that the provisions of the Airline Deregulation Act preempt this chapter;

(C) the Farm Credit Act, Pub. L. No. 92-181, as may be amended; or

(D) federal policy under 21 U.S.C. § 830 (regulation of listed chemicals and certain machines);

(12) nonpublic personal information that is processed by a financial institution or data subject to the Gramm-Leach-Bliley Act, Pub. L. No. 106-102, and regulations adopted to implement that act;

(13) information that originates from, or is intermingled so as to be indistinguishable from, information described in subdivision (12) of this subsection and that a controller or processor collects, processes, uses, or maintains in the same manner as is required under the law and regulations specified in subdivision (12) of this subsection;

(14) a financial institution, credit union, independent trust company, broker-dealer, or investment adviser or a financial institution's, credit union's, independent trust company's, broker-dealer's, or investment adviser's affiliate or subsidiary that is only and directly engaged in financial activities, as described in 12 U.S.C. § 1843(k);

(15) a person regulated pursuant to part 3 of Title 8 (chapters 101–165) other than a person that, alone or in combination with another person, establishes and maintains a self-insurance program and that does not otherwise engage in the business of entering into policies of insurance;

(16) a third-party administrator, as that term is defined in the Third Party Administrator Rule adopted pursuant to 18 V.S.A. § 9417;

(17) a nonprofit organization that is established to detect and prevent fraudulent acts in connection with insurance;

(18) a public service company subject to the rules and orders of the Vermont Public Utility Commission regarding data sharing and service quality;

(19) an educational institution subject to the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g, and regulations adopted to implement that act;

(20) personal data of a victim or witness of child abuse, domestic violence, human trafficking, sexual assault, violent felony, or stalking that a victim services organization collects, processes, or maintains in the course of its operation;

(21) personal data of health care service volunteers held by nonprofit organizations to facilitate provision of health care services; or

(22) noncommercial activity of:

(A) a publisher, editor, reporter, or other person who is connected with or employed by a newspaper, magazine, periodical, newsletter, pamphlet, report, or other publication in general circulation;

(B) a radio or television station that holds a license issued by the Federal Communications Commission;

(C) a nonprofit organization that provides programming to radio or television networks; or

(D) an entity that provides an information service, including a press association or wire service.

(b) Controllers, processors, and consumer health data controllers that comply with the verifiable parental consent requirements of COPPA shall be deemed compliant with any obligation to obtain parental consent pursuant to this chapter, including pursuant to section 2420 of this title.

#### § 2418. CONSUMER PERSONAL DATA RIGHTS

(a) A consumer shall have the right to:

(1) confirm whether or not a controller is processing the consumer's personal data and access the personal data, unless the confirmation or access would require the controller to reveal a trade secret;

(2) obtain from a controller a list of third parties, other than individuals, to which the controller has transferred, at the controller's election, either the consumer's personal data or any personal data;

(3) correct inaccuracies in the consumer's personal data, taking into account the nature of the personal data and the purposes of the processing of the consumer's personal data;

(4) delete personal data provided by, or obtained about, the consumer;

(5) obtain a copy of the consumer's personal data processed by the controller, in a portable and, to the extent technically feasible, readily usable format that allows the consumer to transmit the data to another controller without hindrance, where the processing is carried out by automated means, provided such controller shall not be required to reveal any trade secret; and

(6) opt out of the processing of the personal data for purposes of:

(A) targeted advertising;

(B) the sale of personal data; or

(C) profiling in furtherance of solely automated decisions that produce legal or similarly significant effects concerning the consumer.

(b)(1) A consumer may exercise rights under this section by submitting a request to a controller using the method that the controller specifies in the privacy notice under section 2419 of this title.

(2) A controller shall not require a consumer to create an account for the purpose described in subdivision (1) of this subsection, but the controller may require the consumer to use an account the consumer previously created.

(3) A parent or legal guardian may exercise rights under this section on behalf of the parent's child or on behalf of a child for whom the guardian has legal responsibility. A guardian or conservator may exercise the rights under this section on behalf of a consumer that is subject to a guardianship, conservatorship, or other protective arrangement.

(4)(A) A consumer may designate another person to act on the consumer's behalf as the consumer's authorized agent for the purpose of exercising the consumer's rights under subdivision (a)(4) or (a)(6) of this section.

(B) The consumer may designate an authorized agent by means of an internet link, browser setting, browser extension, global device setting, or other technology that enables the consumer to exercise the consumer's rights under subdivision (a)(4) or (a)(6) of this section.

(c) Except as otherwise provided in this chapter, a controller shall comply with a request by a consumer to exercise the consumer rights authorized pursuant to this chapter as follows:

(1)(A) A controller shall respond to the consumer without undue delay, but not later than 60 days after receipt of the request.

(B) The controller may extend the response period by 45 additional days when reasonably necessary, considering the complexity and number of the consumer's requests, provided the controller informs the consumer of the extension within the initial 60-day response period and of the reason for the extension.

(2) If a controller declines to take action regarding the consumer's request, the controller shall inform the consumer without undue delay, but not later than 45 days after receipt of the request, of the justification for declining to take action and instructions for how to appeal the decision.

(3)(A) Information provided in response to a consumer request shall be provided by a controller, free of charge, once per consumer during any 12-month period.

(B) If requests from a consumer are manifestly unfounded, excessive, or repetitive, the controller may charge the consumer a reasonable fee to cover the administrative costs of complying with the request or decline to act on the request.

(C) The controller bears the burden of demonstrating the manifestly unfounded, excessive, or repetitive nature of the request.

(4)(A) If a controller is unable to authenticate a request to exercise any of the rights afforded under subdivisions (a)(1)–(5) of this section using commercially reasonable efforts, the controller shall not be required to comply with a request to initiate an action pursuant to this section and shall provide notice to the consumer that the controller is unable to authenticate the request to exercise the right or rights until the consumer provides additional information reasonably necessary to authenticate the consumer and the consumer’s request to exercise the right or rights.

(B) A controller shall not be required to authenticate an opt-out request, but a controller may deny an opt-out request if the controller has a good faith, reasonable, and documented belief that the request is fraudulent.

(C) If a controller denies an opt-out request because the controller believes the request is fraudulent, the controller shall send a notice to the person who made the request disclosing that the controller believes the request is fraudulent, why the controller believes the request is fraudulent, and that the controller shall not comply with the request.

(5) A controller that has obtained personal data about a consumer from a source other than the consumer shall be deemed in compliance with a consumer’s request to delete the data pursuant to subdivision (a)(4) of this section by:

(A) retaining a record of the deletion request and the minimum data necessary for the purpose of ensuring the consumer’s personal data remains deleted from the controller’s records and not using the retained data for any other purpose pursuant to the provisions of this chapter; or

(B) opting the consumer out of the processing of the personal data for any purpose except for those exempted pursuant to the provisions of this chapter.

(6) A controller may not condition the exercise of a right under this section through:

(A) the use of any false, fictitious, fraudulent, or materially misleading statement or representation; or

(B) the employment of any dark pattern.

(d) A controller shall establish a process by means of which a consumer may appeal the controller’s refusal to take action on a request under subsection (b) of this section. The controller’s process must:



(1) Allow a reasonable period of time after the consumer receives the controller's refusal within which to appeal.

(2) Be conspicuously available to the consumer.

(3) Be similar to the manner in which a consumer must submit a request under subsection (b) of this section.

(4) Require the controller to approve or deny the appeal within 45 days after the date on which the controller received the appeal and to notify the consumer in writing of the controller's decision and the reasons for the decision. If the controller denies the appeal, the notice must provide or specify information that enables the consumer to contact the Attorney General to submit a complaint.

#### § 2419. DUTIES OF CONTROLLERS

(a) A controller shall:

(1) specify in the privacy notice described in subsection (d) of this section the express purposes for which the controller is collecting and processing personal data;

(2) process personal data only:

(A) as reasonably necessary and proportionate to achieve a disclosed purpose for which the personal data was collected, consistent with the reasonable expectations of the consumer whose personal data is being processed;

(B) for another disclosed purpose that is compatible with the context in which the personal data was collected; or

(C) for a further disclosed purpose if the controller obtains the consumer's consent;

(3) establish, implement, and maintain reasonable administrative, technical, and physical data security practices to protect the confidentiality, integrity, and accessibility of personal data appropriate to the volume and nature of the personal data at issue; and

(4) provide an effective mechanism for a consumer to revoke consent to the controller's processing of the consumer's personal data that is at least as easy as the mechanism by which the consumer provided the consumer's consent and, upon revocation of the consent, cease to process the data as soon as practicable, but not later than 60 days after receiving the request.

(b) A controller shall not:

(1) process personal data beyond what is reasonably necessary and proportionate to the processing purpose;

(2) process sensitive data about a consumer without first obtaining the consumer's consent or, if the controller knows the consumer is a child, without processing the sensitive data in accordance with COPPA;

(3)(A) except as provided in subdivision (B) of this subdivision (3), process a consumer's personal data in a manner that discriminates against individuals or otherwise makes unavailable the equal enjoyment of goods or services on the basis of an individual's actual or perceived race, color, sex, sexual orientation or gender identity, physical or mental disability, religion, ancestry, or national origin;

(B) subdivision (A) of this subdivision (3) shall not apply to:

(i) a private establishment, as that term is used in 42 U.S.C. § 2000a(e) (prohibition against discrimination or segregation in places of public accommodation);

(ii) processing for the purpose of a controller's or processor's self-testing to prevent or mitigate unlawful discrimination; or

(iii) processing for the purpose of diversifying an applicant, participant, or consumer pool.

(4) process a consumer's personal data for the purposes of targeted advertising, of profiling the consumer in furtherance of decisions that produce legal or similarly significant effects concerning the consumer, or of selling the consumer's personal data without the consumer's consent if the controller knows that the consumer is at least 13 years of age and not older than 16 years of age; or

(5) discriminate or retaliate against a consumer who exercises a right provided to the consumer under this chapter or refuses to consent to the collection or processing of personal data for a separate product or service, including by:

(A) denying goods or services;

(B) charging different prices or rates for goods or services; or

(C) providing a different level of quality or selection of goods or services to the consumer.

(c) Subsections (a) and (b) of this section shall not be construed to:

(1) require a controller to provide a good or service that requires personal data from a consumer that the controller does not collect or maintain; or

(2) prohibit a controller from offering a different price, rate, level of quality, or selection of goods or services to a consumer, including an offer for no fee or charge, in connection with a consumer's voluntary participation in a financial incentive program, such as a bona fide loyalty, rewards, premium features, discount, or club card program.

(d)(1) A controller shall provide to consumers a reasonably accessible, clear, and meaningful privacy notice that:

(A) lists the categories of personal data, including the categories of sensitive data, that the controller processes;

(B) describes the controller's purposes for processing the personal data;

(C) describes how a consumer may exercise the consumer's rights under this chapter, including how a consumer may appeal a controller's denial of a consumer's request under section 2418 of this title;

(D) lists all categories of personal data, including the categories of sensitive data, that the controller shares with third parties;

(E) describes all categories of third parties with which the controller shares personal data at a level of detail that enables the consumer to understand what type of entity each third party is and, to the extent possible, how each third party may process personal data;

(F) specifies an e-mail address or other online method by which a consumer can contact the controller that the controller actively monitors;

(G) identifies the controller, including any business name under which the controller registered with the Secretary of State and any assumed business name that the controller uses in this State;

(H) provides a clear and conspicuous description of any processing of personal data in which the controller engages for the purposes of targeted advertising, sale of personal data to third parties, or profiling the consumer in furtherance of decisions that produce legal or similarly significant effects concerning the consumer, and a procedure by which the consumer may opt out of this type of processing; and

(I) describes the method or methods the controller has established for a consumer to submit a request under subdivision 2418(b)(1) of this title.

(2) The privacy notice shall adhere to the accessibility and usability guidelines recommended under 42 U.S.C. chapter 126 (the Americans with Disabilities Act) and 29 U.S.C. 794d (section 508 of the Rehabilitation Act of 1973), including ensuring readability for individuals with disabilities across various screen resolutions and devices and employing design practices that facilitate easy comprehension and navigation for all users.

(e) The method or methods under subdivision (d)(1)(I) of this section for submitting a consumer's request to a controller must:

(1) take into account the ways in which consumers normally interact with the controller, the need for security and reliability in communications related to the request, and the controller's ability to authenticate the identity of the consumer that makes the request;

(2) provide a clear and conspicuous link to a website where the consumer or an authorized agent may opt out from a controller's processing of the consumer's personal data pursuant to subdivision 2418(a)(6) of this title or, solely if the controller does not have a capacity needed for linking to a webpage, provide another method the consumer can use to opt out; and

(3) allow a consumer or authorized agent to send a signal to the controller that indicates the consumer's preference to opt out of the sale of personal data or targeted advertising pursuant to subdivision 2418(a)(6) of this title by means of a platform, technology, or mechanism that:

(A) does not unfairly disadvantage another controller;

(B) does not use a default setting but instead requires the consumer or authorized agent to make an affirmative, voluntary, and unambiguous choice to opt out;

(C) is consumer friendly and easy for an average consumer to use;

(D) is as consistent as possible with similar platforms, technologies, or mechanisms required under federal or state laws or regulations; and

(E) enables the controller to reasonably determine whether the consumer has made a legitimate request pursuant to subsection 2418(b) of this title to opt out pursuant to subdivision 2418(a)(6) of this title.

(f) If a consumer or authorized agent uses a method under subdivision (d)(1)(I) of this section to opt out of a controller's processing of the consumer's personal data pursuant to subdivision 2418(a)(6) of this title and the decision conflicts with a consumer's voluntary participation in a bona fide reward, club card, or loyalty program or a program that provides premium features or discounts in return for the consumer's consent to the controller's processing of the consumer's personal data, the controller may either comply

with the request to opt out or notify the consumer of the conflict and ask the consumer to affirm that the consumer intends to withdraw from the bona fide reward, club card, or loyalty program or the program that provides premium features or discounts. If the consumer affirms that the consumer intends to withdraw, the controller shall comply with the request to opt out.

#### § 2420. DUTIES OF CONTROLLERS TO MINORS

(a)(1) A controller that offers any online service, product, or feature to a consumer whom the controller knows is a minor shall use reasonable care to avoid any heightened risk of harm to minors caused by the online service, product, or feature.

(2) In any action brought pursuant to section 2425 of this title, there is a rebuttable presumption that a controller used reasonable care as required under this section if the controller complied with this section.

(b) Unless a controller has obtained consent in accordance with subsection (c) of this section, a controller that offers any online service, product, or feature to a consumer whom the controller knows is a minor shall not:

(1) process a minor's personal data for the purposes of:

(A) targeted advertising;

(B) the sale of personal data; or

(C) profiling in furtherance of any solely automated decisions that produce legal or similarly significant effects concerning the consumer;

(2) process a minor's personal data for any purpose other than:

(A) the processing purpose that the controller disclosed at the time the controller collected the minor's personal data; or

(B) a processing purpose that is reasonably necessary for, and compatible with, the processing purpose that the controller disclosed at the time the controller collected the minor's personal data; or

(3) process a minor's personal data for longer than is reasonably necessary to provide the online service, product, or feature;

(4) use any system design feature, except for a service or application that is used by and under the direction of an educational entity, to significantly increase, sustain, or extend a minor's use of the online service, product, or feature; or

(5) collect a minor's precise geolocation data unless:

(A) the minor's precise geolocation data is reasonably necessary for the controller to provide the online service, product, or feature;

(B) the controller only collects the minor's precise geolocation data for the time necessary to provide the online service, product, or feature; and

(C) the controller provides to the minor a signal indicating that the controller is collecting the minor's precise geolocation data and makes the signal available to the minor for the entire duration of the collection of the minor's precise geolocation data.

(c) A controller shall not engage in the activities described in subsection (b) of this section unless the controller obtains:

(1) the minor's consent; or

(2) if the minor is a child, the consent of the minor's parent or legal guardian.

(d) A controller that offers any online service, product, or feature to a consumer whom that controller knows is a minor shall not:

(1) employ any dark pattern; or

(2) except as provided in subsection (e) of this section, offer any direct messaging apparatus for use by a minor without providing readily accessible and easy-to-use safeguards to limit the ability of an adult to send unsolicited communications to the minor with whom the adult is not connected.

(e) Subdivision (d)(2) of this section does not apply to an online service, product, or feature of which the predominant or exclusive function is:

(1) e-mail; or

(2) direct messaging consisting of text, photographs, or videos that are sent between devices by electronic means, where messages are:

(A) shared between the sender and the recipient;

(B) only visible to the sender and the recipient; and

(C) not posted publicly.

#### § 2421. DUTIES OF PROCESSORS

(a) A processor shall adhere to a controller's instructions and shall assist the controller in meeting the controller's obligations under this chapter. In assisting the controller, the processor must:

(1) enable the controller to respond to requests from consumers pursuant to subsection 2418(b) of this title by means that:

(A) take into account how the processor processes personal data and the information available to the processor; and

(B) use appropriate technical and organizational measures to the extent reasonably practicable; and

(2) adopt administrative, technical, and physical safeguards that are reasonably designed to protect the security and confidentiality of the personal data the processor processes, taking into account how the processor processes the personal data and the information available to the processor.

(b) Processing by a processor must be governed by a contract between the controller and the processor. The contract must:

(1) be valid and binding on both parties;

(2) set forth clear instructions for processing data, the nature and purpose of the processing, the type of data that is subject to processing, and the duration of the processing;

(3) specify the rights and obligations of both parties with respect to the subject matter of the contract;

(4) ensure that each person that processes personal data is subject to a duty of confidentiality with respect to the personal data;

(5) require the processor to delete the personal data or return the personal data to the controller at the controller's direction or at the end of the provision of services, unless a law requires the processor to retain the personal data;

(6) require the processor to make available to the controller, at the controller's request, all information the controller needs to verify that the processor has complied with all obligations the processor has under this chapter;

(7) require the processor to enter into a subcontract with a person the processor engages to assist with processing personal data on the controller's behalf and in the subcontract require the subcontractor to meet the processor's obligations concerning personal data; and

(8)(A) allow the controller, the controller's designee, or a qualified and independent person the processor engages, in accordance with an appropriate and accepted control standard, framework, or procedure, to assess the processor's policies and technical and organizational measures for complying with the processor's obligations under this chapter;

(B) require the processor to cooperate with the assessment; and

(C) at the controller's request, report the results of the assessment to the controller.

(c) This section does not relieve a controller or processor from any liability that accrues under this chapter as a result of the controller's or processor's actions in processing personal data.

(d)(1) For purposes of determining obligations under this chapter, a person is a controller with respect to processing a set of personal data and is subject to an action under section 2425 of this title to punish a violation of this chapter, if the person:

(A) does not adhere to a controller's instructions to process the personal data; or

(B) begins at any point to determine the purposes and means for processing the personal data, alone or in concert with another person.

(2) A determination under this subsection is a fact-based determination that must take account of the context in which a set of personal data is processed.

(3) A processor that adheres to a controller's instructions with respect to a specific processing of personal data remains a processor.

#### § 2422. DUTIES OF PROCESSORS TO MINORS

(a) A processor shall adhere to the instructions of a controller and shall assist the controller in meeting the controller's obligations under section 2420 of this title, taking into account:

(1) the nature of the processing;

(2) the information available to the processor by appropriate technical and organizational measures; and

(3) whether the assistance is reasonably practicable and necessary to assist the controller in meeting its obligations.

(b) A contract between a controller and a processor must satisfy the requirements in subsection 2421(b) of this title.

(c) Nothing in this section shall be construed to relieve a controller or processor from the liabilities imposed on the controller or processor by virtue of the controller's or processor's role in the processing relationship as described in section 2420 of this title.

(d) Determining whether a person is acting as a controller or processor with respect to a specific processing of data is a fact-based determination that depends upon the context in which personal data is to be processed. A person that is not limited in the person's processing of personal data pursuant to a controller's instructions, or that fails to adhere to the instructions, is a



controller and not a processor with respect to a specific processing of data. A processor that continues to adhere to a controller's instructions with respect to a specific processing of personal data remains a processor. If a processor begins, alone or jointly with others, determining the purposes and means of the processing of personal data, the processor is a controller with respect to the processing and may be subject to an enforcement action under section 2425 of this title.

§ 2423. DE-IDENTIFIED OR PSEUDONYMOUS DATA

(a) A controller in possession of de-identified data shall:

(1) take reasonable measures to ensure that the data cannot be used to re-identify an identified or identifiable individual or be associated with an individual or device that identifies or is linked or reasonably linkable to an individual or household;

(2) publicly commit to maintaining and using de-identified data without attempting to re-identify the data; and

(3) contractually obligate any recipients of the de-identified data to comply with the provisions of this chapter.

(b) This section does not prohibit a controller from attempting to re-identify de-identified data solely for the purpose of testing the controller's methods for de-identifying data.

(c) This chapter shall not be construed to require a controller or processor to:

(1) re-identify de-identified data; or

(2) maintain data in identifiable form, or collect, obtain, retain, or access any data or technology, in order to associate a consumer with personal data in order to authenticate the consumer's request under subsection 2418(b) of this title; or

(3) comply with an authenticated consumer rights request if the controller:

(A) is not reasonably capable of associating the request with the personal data or it would be unreasonably burdensome for the controller to associate the request with the personal data;

(B) does not use the personal data to recognize or respond to the specific consumer who is the subject of the personal data or associate the personal data with other personal data about the same specific consumer; and

(C) does not sell or otherwise voluntarily disclose the personal data to any third party, except as otherwise permitted in this section.

(d) The rights afforded under subdivisions 2418(a)(1)–(5) of this title shall not apply to pseudonymous data in cases where the controller is able to demonstrate that any information necessary to identify the consumer is kept separately and is subject to effective technical and organizational controls that prevent the controller from accessing the information.

(e) A controller that discloses or transfers pseudonymous data or de-identified data shall exercise reasonable oversight to monitor compliance with any contractual commitments to which the pseudonymous data or de-identified data is subject and shall take appropriate steps to address any breaches of those contractual commitments.

#### § 2424. CONSTRUCTION OF DUTIES OF CONTROLLERS AND PROCESSORS

(a) This chapter shall not be construed to restrict a controller's, processor's, or consumer health data controller's ability to:

(1) comply with federal, state, or municipal laws, ordinances, or regulations;

(2) comply with a civil, criminal, or regulatory inquiry, investigation, subpoena, or summons by federal, state, municipal, or other governmental authorities;

(3) cooperate with law enforcement agencies concerning conduct or activity that the controller, processor, or consumer health data controller reasonably and in good faith believes may violate federal, state, or municipal laws, ordinances, or regulations;

(4) carry out obligations under a contract under subsection 2421(b) of this title for a federal, State, tribal, or local government entity;

(5) investigate, establish, exercise, prepare for, or defend legal claims;

(6) provide a product or service specifically requested by the consumer to whom the personal data pertains;

(7) perform under a contract to which a consumer is a party, including fulfilling the terms of a written warranty;

(8) take steps at the request of a consumer prior to entering into a contract;

(9) take immediate steps to protect an interest that is essential for the life or physical safety of the consumer or another individual, and where the processing cannot be manifestly based on another legal basis;

(10) prevent, detect, protect against, or respond to a network security or physical security incident, including an intrusion or trespass, medical alert, or fire alarm;

(11) prevent, detect, protect against, or respond to identity theft, fraud, harassment, malicious or deceptive activity, or any criminal activity targeted at or involving the controller or processor or its services, preserve the integrity or security of systems, or investigate, report, or prosecute those responsible for the action;

(12) assist another controller, processor, consumer health data controller, or third party with any of the obligations under this chapter; or

(13) process personal data for reasons of public interest in the area of public health, community health, or population health, but solely to the extent that the processing is:

(A) subject to suitable and specific measures to safeguard the rights of the consumer whose personal data is being processed; and

(B) under the responsibility of a professional subject to confidentiality obligations under federal, state, or local law.

(b) The obligations imposed on controllers, processors, or consumer health data controllers under this chapter shall not restrict a controller's, processor's, or consumer health data controller's ability to collect, use, or retain data for internal use to:

(1) conduct internal research to develop, improve, or repair products, services, or technology;

(2) effectuate a product recall; or

(3) identify and repair technical errors that impair existing or intended functionality.

(c)(1) The obligations imposed on controllers, processors, or consumer health data controllers under this chapter shall not apply where compliance by the controller, processor, or consumer health data controller with this chapter would violate an evidentiary privilege under the laws of this State.

(2) This chapter shall not be construed to prevent a controller, processor, or consumer health data controller from providing personal data concerning a consumer to a person covered by an evidentiary privilege under the laws of the State as part of a privileged communication.

(d)(1) A controller, processor, or consumer health data controller that discloses personal data to a processor or third-party controller pursuant to this chapter shall not be deemed to have violated this chapter if the processor or third-party controller that receives and processes the personal data violates this chapter, provided, at the time the disclosing controller, processor, or consumer health data controller disclosed the personal data, the disclosing controller, processor, or consumer health data controller did not have actual knowledge that the receiving processor or third-party controller would violate this chapter.

(2) A third-party controller or processor receiving personal data from a controller, processor, or consumer health data controller in compliance with this chapter is not in violation of this chapter for the transgressions of the controller, processor, or consumer health data controller from which the third-party controller or processor receives the personal data.

(e) This chapter shall not be construed to:

(1) impose any obligation on a controller, processor, or consumer health data controller that adversely affects the rights or freedoms of any person, including the rights of any person:

(A) to freedom of speech or freedom of the press guaranteed in the First Amendment to the U.S. Constitution; or

(B) under 12 V.S.A. § 1615; or

(2) apply to any person's processing of personal data in the course of the person's purely personal or household activities.

(f)(1) Personal data processed by a controller or consumer health data controller pursuant to this section may be processed to the extent that the processing is:

(A) reasonably necessary and proportionate to the purposes listed in this section; and

(B) adequate, relevant, and limited to what is necessary in relation to the specific purposes listed in this section.

(2)(A) Personal data collected, used, or retained pursuant to subsection (b) of this section shall, where applicable, take into account the nature and purpose or purposes of the collection, use, or retention.

(B) Personal data collected, used, or retained pursuant to subsection (b) of this section shall be subject to reasonable administrative, technical, and physical measures to protect the confidentiality, integrity, and accessibility of the personal data and to reduce reasonably foreseeable risks of harm to consumers relating to the collection, use, or retention of personal data.

(g) If a controller or consumer health data controller processes personal data pursuant to an exemption in this section, the controller or consumer health data controller bears the burden of demonstrating that the processing qualifies for the exemption and complies with the requirements in subsection (f) of this section.

(h) Processing personal data for the purposes expressly identified in this section shall not solely make a legal entity a controller or consumer health data controller with respect to the processing.

#### § 2425. ENFORCEMENT; ATTORNEY GENERAL'S POWERS

(a) The Attorney General shall have exclusive authority to enforce violations of this chapter.

(b)(1) The Attorney General may, prior to initiating any action for a violation of any provision of this chapter, issue a notice of violation to the controller or consumer health data controller if the Attorney General determines that a cure is possible.

(2) The Attorney General may, in determining whether to grant a controller, processor, or consumer health data controller the opportunity to cure an alleged violation described in subdivision (1) of this subsection, consider:

(A) the number of violations;

(B) the size and complexity of the controller, processor, or consumer health data controller;

(C) the nature and extent of the controller's, processor's, or consumer health data controller's processing activities;

(D) the substantial likelihood of injury to the public;

(E) the safety of persons or property;

(F) whether the alleged violation was likely caused by human or technical error; and

(G) the sensitivity of the data.

(c) Annually, on or before February 1, the Attorney General shall submit a report to the General Assembly disclosing:

(1) the number of notices of violation the Attorney General has issued;

(2) the nature of each violation;

(3) the number of violations that were cured during the available cure period; and

(4) any other matter the Attorney General deems relevant for the purposes of the report.

(d) This chapter shall not be construed as providing the basis for, or be subject to, a private right of action for violations of this chapter or any other law.

(e) A violation of the requirements of this chapter shall constitute an unfair and deceptive act in commerce in violation of section 2453 of this title and shall be enforced solely by the Attorney General, provided that a consumer private right of action under subsection 2461(b) of this title shall not apply to the violation.

#### § 2426. CONFIDENTIALITY OF CONSUMER HEALTH DATA

Except as provided in subsections 2417(a) and (b) of this title and section 2424 of this title, no person shall:

(1) provide any employee or contractor with access to consumer health data unless the employee or contractor is subject to a contractual or statutory duty of confidentiality;

(2) provide any processor with access to consumer health data unless the person and processor comply with section 2421 of this title;

(3) use a geofence to establish a virtual boundary that is within 1,850 feet of any health care facility, mental health facility, or reproductive or sexual health facility for the purpose of identifying, tracking, collecting data from, or sending any notification to a consumer regarding the consumer's consumer health data; or

(4) sell or offer to sell consumer health data without first obtaining the consumer's consent.

Sec. 2. 3 V.S.A. § 5023 is amended to read:

#### § 5023. ARTIFICIAL INTELLIGENCE AND DATA PRIVACY ADVISORY COUNCIL

(a)(1) Advisory Council. There is established the Artificial Intelligence and Data Privacy Advisory Council to:

(A) provide advice and counsel to the Director of the Division of Artificial Intelligence ~~with regard to~~ on the Division's responsibilities to review all aspects of artificial intelligence systems developed, employed, or procured in State government;

(B) ~~The Council,~~ in consultation with the Director of the Division, shall also engage in public outreach and education on artificial intelligence;

(C) provide advice and counsel to the Attorney General in carrying out the Attorney General's enforcement responsibilities under the Vermont Data Privacy Act; and

(D) develop policy recommendations for improving data privacy in Vermont, including recommendations for implementing a private right of action and developing education and outreach on the Vermont Data Privacy Act, which shall be provided to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development by January 15, 2025.

(2) The Advisory Council shall have the authority to establish subcommittees to carry out the purposes of subdivision (1)(D) of this subsection.

(b) Members.

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

(A) the Secretary of Digital Services or designee;

(B) the Secretary of Commerce and Community Development or designee;

(C) the Commissioner of Public Safety or designee;

(D) the Executive Director of the American Civil Liberties Union of Vermont or designee;

(E) one member who is an expert in constitutional and legal rights, appointed by the Chief Justice of the Supreme Court;

(F) one member with experience in the field of ethics and human rights, appointed by the Governor;

(G) one member who is an academic at a postsecondary institute, appointed by the Vermont Academy of Science and Engineering;

(H) the Commissioner of Health or designee;

(I) the Executive Director of Racial Equity or designee; ~~and~~

(J) the Attorney General or designee;

(K) one member representing Vermont small businesses, appointed by the Speaker of the House; and

(L) one member who is an expert in data privacy, appointed by the Committee on Committees.

(2) Chair. Members of the Advisory Council shall elect by majority vote the Chair of the Advisory Council. Members of the Advisory Council shall be appointed on or before August 1, 2022 in order to prepare as they deem necessary for the establishment of the Advisory Council, including the election of the Chair of the Advisory Council, except that the member representing Vermont small businesses and the member who is an expert in data privacy shall be appointed on or before August 1, 2024.

(3) Qualifications. Members shall be drawn from diverse backgrounds and, to the extent possible, have experience with artificial intelligence.

(c) Meetings. The Advisory Council shall meet at the call of the Chair as follows:

(1) on or before January 31, 2024, not more than 12 times; and

(2) on or after February 1, 2024, not more than monthly.

(d) Quorum. A majority of members shall constitute a quorum of the Advisory Council. Once a quorum has been established, the vote of a majority of the members present at the time of the vote shall be an act of the Advisory Council.

(e) Assistance. The Advisory Council shall have the administrative and technical support of the Agency of Digital Services.

(f) Reimbursement. Members of the Advisory Council who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to compensation and expenses as provided in 32 V.S.A. § 1010.

(g) Consultation. The In its advice and counsel to the Director of the Division of Artificial Intelligence, the Advisory Council shall consult with any relevant national bodies on artificial intelligence, including the National Artificial Intelligence Advisory Committee established by the Department of Commerce, and its applicability to Vermont. In its advice and counsel to the Attorney General, the Advisory Council shall consult with enforcement authorities in states with comparable comprehensive data privacy regimes.

(h) Repeal. This section shall be repealed on June 30, 2027.

(i) Limitation. The advice and counsel of the Advisory Council shall not limit the discretionary authority of the Attorney General to enforce the Vermont Data Privacy Act.



Sec. 3. 9 V.S.A. chapter 62 is amended to read:

CHAPTER 62. PROTECTION OF PERSONAL INFORMATION

Subchapter 1. General Provisions

§ 2430. DEFINITIONS

As used in this chapter:

(1) “Biometric data” shall have the same meaning as in section 2415 of this title.

(2)(A) “Brokered personal information” means one or more of the following computerized data elements about a consumer, if categorized or organized for dissemination to third parties:

- (i) name;
- (ii) address;
- (iii) date of birth;
- (iv) place of birth;
- (v) mother’s maiden name;

(vi) ~~unique biometric data generated from measurements or technical analysis of human body characteristics used by the owner or licensee of the data to identify or authenticate the consumer, such as a fingerprint, retina or iris image, or other unique physical representation or digital representation of biometric data;~~

(vii) name or address of a member of the consumer’s immediate family or household;

(viii) Social Security number or other government-issued identification number; or

(ix) other information that, alone or in combination with the other information sold or licensed, would allow a reasonable person to identify the consumer with reasonable certainty.

(B) “Brokered personal information” does not include publicly available information ~~to the extent that it is related to a consumer’s business or profession~~ as that term is defined in section 2415 of this title.

(2)(3) “Business” means a controller, a consumer health data controller, a processor, or a commercial entity, including a sole proprietorship, partnership, corporation, association, limited liability company, or other group, however organized and whether or not organized to operate at a profit, including a financial institution organized, chartered, or holding a license or

authorization certificate under the laws of this State, any other state, the United States, or any other country, or the parent, affiliate, or subsidiary of a financial institution, but does not include the State, a State agency, any political subdivision of the State, or a vendor acting solely on behalf of, and at the direction of, the State.

~~(3)~~(4) “Consumer” means an individual ~~residing in this State who is a resident of the State or an individual who is in the State at the time a data broker collects the individual’s data.~~

(5) “Consumer health data controller” has the same meaning as in section 2415 of this title.

(6) “Controller” has the same meaning as in section 2415 of this title.

~~(4)~~(7)(A) “Data broker” means a business, or unit or units of a business, separately or together, that knowingly collects and sells or licenses to third parties the brokered personal information of a consumer with whom the business does not have a direct relationship.

(B) Examples of a direct relationship with a business include if the consumer is a past or present:

- (i) customer, client, subscriber, user, or registered user of the business’s goods or services;
- (ii) employee, contractor, or agent of the business;
- (iii) investor in the business; or
- (iv) donor to the business.

(C) The following activities conducted by a business, and the collection and sale or licensing of brokered personal information incidental to conducting these activities, do not qualify the business as a data broker:

- (i) developing or maintaining third-party e-commerce or application platforms;
- (ii) providing 411 directory assistance or directory information services, including name, address, and telephone number, on behalf of or as a function of a telecommunications carrier;
- (iii) providing publicly available information related to a consumer’s business or profession; or
- (iv) providing publicly available information via real-time or near-real-time alert services for health or safety purposes.

(D) The phrase “sells or licenses” does not include:

(i) a one-time or occasional sale of assets of a business as part of a transfer of control of those assets that is not part of the ordinary conduct of the business; or

(ii) a sale or license of data that is merely incidental to the business; or

(iii) the disclosure of brokered personal information that a consumer intentionally made available to the general public via a channel of mass media and did not restrict to a specific audience.

~~(5)(8)~~(A) “Data broker security breach” means an unauthorized acquisition or a reasonable belief of an unauthorized acquisition of more than one element of brokered personal information maintained by a data broker when the brokered personal information is not encrypted, redacted, or protected by another method that renders the information unreadable or unusable by an unauthorized person.

(B) “Data broker security breach” does not include good faith but unauthorized acquisition of brokered personal information by an employee or agent of the data broker for a legitimate purpose of the data broker, provided that the brokered personal information is not used for a purpose unrelated to the data broker’s business or subject to further unauthorized disclosure.

(C) In determining whether brokered personal information has been acquired or is reasonably believed to have been acquired by a person without valid authorization, a data broker may consider the following factors, among others:

(i) indications that the brokered personal information is in the physical possession and control of a person without valid authorization, such as a lost or stolen computer or other device containing brokered personal information;

(ii) indications that the brokered personal information has been downloaded or copied;

(iii) indications that the brokered personal information was used by an unauthorized person, such as fraudulent accounts opened or instances of identity theft reported; or

(iv) that the brokered personal information has been made public.

~~(6)(9)~~ “Data collector” means a person who, for any purpose, whether by automated collection or otherwise, handles, collects, disseminates, or otherwise deals with personally identifiable information, and includes the State, State agencies, political subdivisions of the State, public and private

universities, privately and publicly held corporations, limited liability companies, financial institutions, and retail operators.

~~(7)~~(10) “Encryption” means use of an algorithmic process to transform data into a form in which the data is rendered unreadable or unusable without use of a confidential process or key.

~~(8)~~(11) “License” means a grant of access to, or distribution of, data by one person to another in exchange for consideration. A use of data for the sole benefit of the data provider, where the data provider maintains control over the use of the data, is not a license.

~~(9)~~(12) “Login credentials” means a consumer’s user name or e-mail address, in combination with a password or an answer to a security question, that together permit access to an online account.

~~(10)~~(13)(A) “Personally identifiable information” means a consumer’s first name or first initial and last name in combination with one or more of the following digital data elements, when the data elements are not encrypted, redacted, or protected by another method that renders them unreadable or unusable by unauthorized persons:

(i) a Social Security number;

(ii) a driver license or nondriver State identification card number, individual taxpayer identification number, passport number, military identification card number, or other identification number that originates from a government identification document that is commonly used to verify identity for a commercial transaction;

(iii) a financial account number or credit or debit card number, if the number could be used without additional identifying information, access codes, or passwords;

(iv) a password, personal identification number, or other access code for a financial account;

~~(v) unique biometric data generated from measurements or technical analysis of human body characteristics used by the owner or licensee of the data to identify or authenticate the consumer, such as a fingerprint, retina or iris image, or other unique physical representation or digital representation of biometric data;~~

(vi) genetic information; and

(vii)(I) health records or records of a wellness program or similar program of health promotion or disease prevention;

(II) a health care professional's medical diagnosis or treatment of the consumer; or

(III) a health insurance policy number.

(B) "Personally identifiable information" does not mean publicly available information that is lawfully made available to the general public from federal, State, or local government records.

(14) "Processor" has the same meaning as in section 2415 of this title.

~~(11)~~(15) "Record" means any material on which written, drawn, spoken, visual, or electromagnetic information is recorded or preserved, regardless of physical form or characteristics.

~~(12)~~(16) "Redaction" means the rendering of data so that the data are unreadable or are truncated so that ~~no~~ not more than the last four digits of the identification number are accessible as part of the data.

~~(13)~~(17)(A) "Security breach" means unauthorized acquisition of electronic data, or a reasonable belief of an unauthorized acquisition of electronic data, that compromises the security, confidentiality, or integrity of a consumer's personally identifiable information or login credentials maintained by a data collector.

(B) "Security breach" does not include good faith but unauthorized acquisition of personally identifiable information or login credentials by an employee or agent of the data collector for a legitimate purpose of the data collector, provided that the personally identifiable information or login credentials are not used for a purpose unrelated to the data collector's business or subject to further unauthorized disclosure.

(C) In determining whether personally identifiable information or login credentials have been acquired or is reasonably believed to have been acquired by a person without valid authorization, a data collector may consider the following factors, among others:

(i) indications that the information is in the physical possession and control of a person without valid authorization, such as a lost or stolen computer or other device containing information;

(ii) indications that the information has been downloaded or copied;

(iii) indications that the information was used by an unauthorized person, such as fraudulent accounts opened or instances of identity theft reported; or

(iv) that the information has been made public.

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Subchapter 2. ~~Security Breach Notice Act~~ Data Security Breaches

\* \* \*

§ 2436. NOTICE OF DATA BROKER SECURITY BREACH

(a) Short title. This section shall be known as the Data Broker Security Breach Notice Act.

(b) Notice of breach.

(1) Except as otherwise provided in subsection (c) of this section, any data broker shall notify the consumer that there has been a data broker security breach following discovery or notification to the data broker of the breach. Notice of the security breach shall be made in the most expedient time possible and without unreasonable delay, but not later than 45 days after the discovery or notification, consistent with the legitimate needs of the law enforcement agency, as provided in subdivisions (3) and (4) of this subsection, or with any measures necessary to determine the scope of the security breach and restore the reasonable integrity, security, and confidentiality of the data system.

(2) A data broker shall provide notice of a breach to the Attorney General as follows:

(A)(i) The data broker shall notify the Attorney General of the date of the security breach and the date of discovery of the breach and shall provide a preliminary description of the breach within 14 business days, consistent with the legitimate needs of the law enforcement agency, as provided in subdivisions (3) and (4) of this subsection (b), after the data broker's discovery of the security breach or when the data broker provides notice to consumers pursuant to this section, whichever is sooner.

(ii) If the date of the breach is unknown at the time notice is sent to the Attorney General, the data broker shall send the Attorney General the date of the breach as soon as it is known.

(iii) Unless otherwise ordered by a court of this State for good cause shown, a notice provided under this subdivision (2)(A) shall not be disclosed to any person other than the authorized agent or representative of the Attorney General, a State's Attorney, or another law enforcement officer engaged in legitimate law enforcement activities without the consent of the data broker.

(B)(i) When the data broker provides notice of the breach pursuant to subdivision (1) of this subsection (b), the data broker shall notify the Attorney General of the number of Vermont consumers affected, if known to the data

broker, and shall provide a copy of the notice provided to consumers under subdivision (1) of this subsection (b).

(ii) The data broker may send to the Attorney General a second copy of the consumer notice, from which is redacted the type of brokered personal information that was subject to the breach, that the Attorney General shall use for any public disclosure of the breach.

(3) The notice to a consumer required by this subsection shall be delayed upon request of a law enforcement agency. A law enforcement agency may request the delay if it believes that notification may impede a law enforcement investigation or a national or Homeland Security investigation or jeopardize public safety or national or Homeland Security interests. In the event law enforcement makes the request for a delay in a manner other than in writing, the data broker shall document the request contemporaneously in writing and include the name of the law enforcement officer making the request and the officer's law enforcement agency engaged in the investigation. A law enforcement agency shall promptly notify the data broker in writing when the law enforcement agency no longer believes that notification may impede a law enforcement investigation or a national or Homeland Security investigation, or jeopardize public safety or national or Homeland Security interests. The data broker shall provide notice required by this section without unreasonable delay upon receipt of a written communication, which includes facsimile or electronic communication, from the law enforcement agency withdrawing its request for delay.

(4) The notice to a consumer required in subdivision (1) of this subsection shall be clear and conspicuous. A notice to a consumer of a security breach involving brokered personal information shall include a description of each of the following, if known to the data broker:

(A) the incident in general terms;

(B) the type of brokered personal information that was subject to the security breach;

(C) the general acts of the data broker to protect the brokered personal information from further security breach;

(D) a telephone number, toll-free if available, that the consumer may call for further information and assistance;

(E) advice that directs the consumer to remain vigilant by reviewing account statements and monitoring free credit reports; and

(F) the approximate date of the data broker security breach.

(5) A data broker may provide notice of a security breach involving brokered personal information to a consumer by two or more of the following methods:

(A) written notice mailed to the consumer's residence;

(B) electronic notice, for those consumers for whom the data broker has a valid e-mail address, if:

(i) the data broker's primary method of communication with the consumer is by electronic means, the electronic notice does not request or contain a hypertext link to a request that the consumer provide personal information, and the electronic notice conspicuously warns consumers not to provide personal information in response to electronic communications regarding security breaches; or

(ii) the notice is consistent with the provisions regarding electronic records and signatures for notices in 15 U.S.C. § 7001;

(C) telephonic notice, provided that telephonic contact is made directly with each affected consumer and not through a prerecorded message; or

(D) notice by publication in a newspaper of statewide circulation in the event the data broker cannot effectuate notice by any other means.

(c) Exception.

(1) Notice of a security breach pursuant to subsection (b) of this section is not required if the data broker establishes that misuse of brokered personal information is not reasonably possible and the data broker provides notice of the determination that the misuse of the brokered personal information is not reasonably possible pursuant to the requirements of this subsection. If the data broker establishes that misuse of the brokered personal information is not reasonably possible, the data broker shall provide notice of its determination that misuse of the brokered personal information is not reasonably possible and a detailed explanation for said determination to the Vermont Attorney General. The data broker may designate its notice and detailed explanation to the Vermont Attorney General as a trade secret if the notice and detailed explanation meet the definition of trade secret contained in 1 V.S.A. § 317(c)(9).

(2) If a data broker established that misuse of brokered personal information was not reasonably possible under subdivision (1) of this subsection and subsequently obtains facts indicating that misuse of the brokered personal information has occurred or is occurring, the data broker



shall provide notice of the security breach pursuant to subsection (b) of this section.

(d) Waiver. Any waiver of the provisions of this subchapter is contrary to public policy and is void and unenforceable.

(e) Enforcement.

(1) With respect to a controller or processor other than a controller or processor licensed or registered with the Department of Financial Regulation under title 8 or this title, the Attorney General and State's Attorney shall have sole and full authority to investigate potential violations of this chapter and to enforce, prosecute, obtain, and impose remedies for a violation of this chapter or any rules or regulations adopted pursuant to this chapter as the Attorney General and State's Attorney have under chapter 63 of this title. The Attorney General may refer the matter to the State's Attorney in an appropriate case. The Superior Courts shall have jurisdiction over any enforcement matter brought by the Attorney General or a State's Attorney under this subsection.

(2) With respect to a controller or processor that is licensed or registered with the Department of Financial Regulation under title 8 or this title, the Department of Financial Regulation shall have the full authority to investigate potential violations of this chapter and to enforce, prosecute, obtain, and impose remedies for a violation of this chapter or any rules or regulations adopted pursuant to this chapter, as the Department has under title 8 or this title or any other applicable law or regulation.

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#### Subchapter 5. Data Brokers

#### § 2446. DATA BROKERS; ANNUAL REGISTRATION

(a) Annually, on or before January 31 following a year in which a person meets the definition of data broker as provided in section 2430 of this title, a data broker shall:

- (1) register with the Secretary of State;
- (2) pay a registration fee of \$100.00; and
- (3) provide the following information:

(A) the name and primary physical, e-mail, and ~~Internet~~ internet addresses of the data broker;

(B) if the data broker permits a consumer to opt out of the data broker's collection of brokered personal information, opt out of its databases, or opt out of certain sales of data:

- (i) the method for requesting an opt-out;
- (ii) if the opt-out applies to only certain activities or sales, which ones; and
- (iii) whether the data broker permits a consumer to authorize a third party to perform the opt-out on the consumer's behalf;

(C) a statement specifying the data collection, databases, or sales activities from which a consumer may not opt out;

(D) a statement whether the data broker implements a purchaser credentialing process;

(E) the number of data broker security breaches that the data broker has experienced during the prior year, and if known, the total number of consumers affected by the breaches;

(F) where the data broker has actual knowledge that it possesses the brokered personal information of minors, a separate statement detailing the data collection practices, databases, sales activities, and opt-out policies that are applicable to the brokered personal information of minors; and

(G) any additional information or explanation the data broker chooses to provide concerning its data collection practices.

(b) A data broker that fails to register pursuant to subsection (a) of this section is liable to the State for:

(1) a civil penalty of ~~\$50.00~~ \$125.00 for each day, ~~not to exceed a total of \$10,000.00 for each year,~~ it fails to register pursuant to this section;

(2) an amount equal to the fees due under this section during the period it failed to register pursuant to this section; and

(3) other penalties imposed by law.

(c) A data broker that omits required information from its registration shall file an amendment to include the omitted information within 30 business days following notification of the omission and is liable to the State for a civil penalty of \$1,000.00 per day for each day thereafter.

(d) A data broker that files materially incorrect information in its registration:

(1) is liable to the State for a civil penalty of \$25,000.00; and

(2) if it fails to correct the false information within 30 business days after discovery or notification of the incorrect information, an additional civil penalty of \$1,000.00 per day for each day thereafter that it fails to correct the information.

(e) The Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed in this section and to seek appropriate injunctive relief.

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§ 2448. DATA BROKERS; CREDENTIALING

(a) Credentialing.

(1) A data broker shall maintain reasonable procedures designed to ensure that the brokered personal information it discloses is used for a legitimate and legal purpose.

(2) These procedures shall require that prospective users of the information identify themselves, certify the purposes for which the information is sought, and certify that the information shall be used for no other purpose.

(3) A data broker shall make a reasonable effort to verify the identity of a new prospective user and the uses certified by the prospective user prior to furnishing the user brokered personal information.

(4) A data broker shall not furnish brokered personal information to any person if it has reasonable grounds for believing that the consumer report will not be used for a legitimate and legal purpose.

(b) Exemption. Nothing in this section applies to:

(1) brokered personal information that is:

(A) regulated as a consumer report pursuant to the Fair Credit Reporting Act, 15 U.S.C. § 1681–1681x, if the data broker is fully complying with the Act; or

(B) regulated pursuant to the Driver’s Privacy Protection Act of 1994, 18 U.S.C. § 2721–2725, if the data broker is fully complying with the Act;

(2) a public service company subject to the rules and orders of the Vermont Public Utility Commission regarding data sharing and service quality;

(3) a nonprofit organization that is established to detect and prevent fraudulent acts in connection with insurance; or

(4) a nonprofit organization that is established to provide enrollment data reporting services on behalf of postsecondary schools as that term is defined in 16 V.S.A. § 176.

Sec. 4. EFFECTIVE DATES

(a) This section and Sec. 2 (AI and Data Privacy Advisory Council) shall take effect on July 1, 2024.

(b) Sec. 1 (Vermont Data Privacy Act) and Sec. 3 (Protection of Personal Information) shall take effect on July 1, 2025.

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

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

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs?, Senators Lyons, Gulick and Hardy moved to amend the proposal of amendment with the following amendments thereto:

First: In Sec. 1, 9 V.S.A. chapter 61A, by striking out section 2415 in its entirety and inserting in lieu thereof a new section 2415 to read:

§ 2415. DEFINITIONS

As used in this chapter:

(1)(A) “Affiliate” means a legal entity that shares common branding with another legal entity or controls, is controlled by, or is under common control with another legal entity.

(B) As used in subdivision (A) of this subdivision (1), “control” or “controlled” means:

(i) ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a company;

(ii) control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or

(iii) the power to exercise controlling influence over the management of a company.

(2) “Authenticate” means to use reasonable means to determine that a request to exercise any of the rights afforded under subdivisions 2418(a)(1)–(5) of this title is being made by, or on behalf of, the consumer who is entitled to exercise the consumer rights with respect to the personal data at issue.

(3) “Biometric data” means information generated from the technological processing of an individual’s unique biological, physical, or physiological characteristics that is linked or reasonably linkable to an individual, including:

(A) iris or retina scans;

(B) fingerprints;

(C) facial or hand mapping, geometry, or templates;

(D) vein patterns;

(E) voice prints;

(F) gait or personally identifying physical movement or patterns;

(G) depictions, images, descriptions, or recordings; and

(H) data derived from any data in subdivision (G) of this subdivision (3), to the extent that it would be reasonably possible to identify the specific individual from whose biometric data the data has been derived.

(4) “Broker-dealer” has the same meaning as in 9 V.S.A. § 5102.

(5) “Business associate” has the same meaning as in HIPAA.

(6) “Child” has the same meaning as in COPPA.

(7)(A) “Consent” means a clear affirmative act signifying a consumer’s freely given, specific, informed, and unambiguous agreement to allow the processing of personal data relating to the consumer.

(B) “Consent” may include a written statement, including by electronic means, or any other unambiguous affirmative action.

(C) “Consent” does not include:

(i) acceptance of a general or broad terms of use or similar document that contains descriptions of personal data processing along with other, unrelated information;

(ii) hovering over, muting, pausing, or closing a given piece of content; or

(iii) agreement obtained through the use of dark patterns.

(8)(A) “Consumer” means an individual who is a resident of the State.

(B) “Consumer” does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit, or government agency whose communications or transactions with the controller

occur solely within the context of that individual's role with the company, partnership, sole proprietorship, nonprofit, or government agency.

(9) "Consumer health data" means any personal data that a controller uses to identify a consumer's physical or mental health condition or diagnosis, including gender-affirming health data and reproductive or sexual health data.

(10) "Consumer health data controller" means any controller that, alone or jointly with others, determines the purpose and means of processing consumer health data.

(11) "Consumer reporting agency" has the same meaning as in the Fair Credit Reporting Act, 15 U.S.C. § 1681a(f);

(12) "Controller" means a person who, alone or jointly with others, determines the purpose and means of processing personal data.

(13) "COPPA" means the Children's Online Privacy Protection Act of 1998, 15 U.S.C. § 6501–6506, and any regulations, rules, guidance, and exemptions promulgated pursuant to the act, as the act and regulations, rules, guidance, and exemptions may be amended.

(14) "Covered entity" has the same meaning as in HIPAA.

(15) "Credit union" has the same meaning as in 8 V.S.A. § 30101.

(16) "Dark pattern" means a user interface designed or manipulated with the substantial effect of subverting or impairing user autonomy, decision-making, or choice and includes any practice the Federal Trade Commission refers to as a "dark pattern."

(17) "Decisions that produce legal or similarly significant effects concerning the consumer" means decisions made by the controller that result in the provision or denial by the controller of financial or lending services, housing, insurance, education enrollment or opportunity, criminal justice, employment opportunities, health care services, or access to essential goods or services.

(18) "De-identified data" means data that does not identify and cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable individual, or a device linked to the individual, if the controller that possesses the data:

(A)(i) takes reasonable measures to ensure that the data cannot be used to re-identify an identified or identifiable individual or be associated with an individual or device that identifies or is linked or reasonably linkable to an individual or household;

(ii) for purposes of this subdivision (A), “reasonable measures” shall include the de-identification requirements set forth under 45 C.F.R. § 164.514 (other requirements relating to uses and disclosures of protected health information);

(B) publicly commits to process the data only in a de-identified fashion and not attempt to re-identify the data; and

(C) contractually obligates any recipients of the data to satisfy the criteria set forth in subdivisions (A) and (B) of this subdivision (18).

(19) “Educational institution” has the same meaning as “educational agency or institution” in 20 U.S.C. § 1232g (family educational and privacy rights);

(20) “Financial institution”:

(A) as used in subdivision 2417(a)(12) of this title, has the same meaning as in 15 U.S.C. § 6809; and

(B) as used in subdivision 2417(a)(14) of this title, has the same meaning as in 8 V.S.A. § 11101.

(21) “Gender-affirming health care services” has the same meaning as in 1 V.S.A. § 150.

(22) “Gender-affirming health data” means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer’s receipt of, gender-affirming health care services, including:

(A) precise geolocation data that is used for determining a consumer’s attempt to acquire or receive gender-affirming health care services;

(B) efforts to research or obtain gender-affirming health care services; and

(C) any gender-affirming health data that is derived from nonhealth information.

(23) “Genetic data” means any data, regardless of its format, that results from the analysis of a biological sample of an individual, or from another source enabling equivalent information to be obtained, and concerns genetic material, including deoxyribonucleic acids (DNA), ribonucleic acids (RNA), genes, chromosomes, alleles, genomes, alterations or modifications to DNA or RNA, single nucleotide polymorphisms (SNPs), epigenetic markers, uninterpreted data that results from analysis of the biological sample or other source, and any information extrapolated, derived, or inferred therefrom.

(24) “Geofence” means any technology that uses global positioning coordinates, cell tower connectivity, cellular data, radio frequency identification, wireless fidelity technology data, or any other form of location detection, or any combination of such coordinates, connectivity, data, identification, or other form of location detection, to establish a virtual boundary.

(25) “Health care component” has the same meaning as in HIPAA.

(26) “Health care facility” has the same meaning as in 18 V.S.A. § 9432.

(27) “Heightened risk of harm to a minor” means processing the personal data of a minor in a manner that presents a reasonably foreseeable risk of:

(A) material physical or financial injury to a minor;

(B) emotional distress, as that term is defined in 13 V.S.A. § 1061(2), to a minor;

(C) a highly offensive intrusion on the reasonable privacy expectations of a minor;

(D) the encouragement of excessive or compulsive use of an online service, product, or feature by a minor; or

(E) discrimination against the minor based upon the minor’s race, ethnicity, sex, disability, sexual orientation, gender identity, gender expression, or national origin.

(28) “HIPAA” means the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191, and any regulations promulgated pursuant to the act, as may be amended.

(29) “Hybrid entity” has the same meaning as in HIPAA.

(30) “Identified or identifiable individual” means an individual who can be readily identified, directly or indirectly, including by reference to an identifier such as a name, an identification number, specific geolocation data, or an online identifier.

(31) “Independent trust company” has the same meaning as in 8 V.S.A. § 2401.

(32) “Investment adviser” has the same meaning as in 9 V.S.A. § 5102.

(33) “Mental health facility” means any health care facility in which at least 70 percent of the health care services provided in the facility are mental health services.



(34) “Nonpublic personal information” has the same meaning as in 15 U.S.C. § 6809.

(35)(A) “Online service, product, or feature” means any service, product, or feature that is provided online, except as provided in subdivision (B) of this subdivision (35).

(B) “Online service, product, or feature” does not include:

(i) telecommunications service, as that term is defined in the Communications Act of 1934, 47 U.S.C. § 153;

(ii) broadband internet access service, as that term is defined in 47 C.F.R. § 54.400 (universal service support); or

(iii) the delivery or use of a physical product.

(36) “Patient identifying information” has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records).

(37) “Patient safety work product” has the same meaning as in 42 C.F.R. § 3.20 (patient safety organizations and patient safety work product).

(38)(A) “Personal data” means any information, including derived data and unique identifiers, that is linked or reasonably linkable to an identified or identifiable individual or to a device that identifies, is linked to, or is reasonably linkable to one or more identified or identifiable individuals in a household.

(B) “Personal data” does not include de-identified data or publicly available information.

(39)(A) “Precise geolocation data” means personal data derived from technology that accurately identifies within a radius of 1,850 feet a consumer’s present or past location or the present or past location of a device that links or is linkable to a consumer or any data that is derived from a device that is used or intended to be used to locate a consumer within a radius of 1,850 feet by means of technology that includes a global positioning system that provides latitude and longitude coordinates.

(B) “Precise geolocation data” does not include the content of communications or any data generated by or connected to advanced utility metering infrastructure systems or equipment for use by a utility.

(40) “Process” or “processing” means 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, or modification of personal data.

(41) “Processor” means a person who processes personal data on behalf of a controller.

(42) “Profiling” means any form of automated processing performed on personal data to evaluate, analyze, or predict personal aspects related to an identified or identifiable individual’s economic situation, health, personal preferences, interests, reliability, behavior, location, or movements.

(43) “Protected health information” has the same meaning as in HIPAA.

(44) “Pseudonymous data” means personal data that cannot be attributed to a specific individual without the use of additional information, provided the additional information is kept separately and is subject to appropriate technical and organizational measures to ensure that the personal data is not attributed to an identified or identifiable individual.

(45)(A) “Publicly available information” means information that:

(i) is lawfully made available through federal, state, or local government records or widely distributed media; or

(ii) a controller has a reasonable basis to believe a consumer has lawfully made available to the general public.

(B) “Publicly available information” does not include biometric data collected by a business about a consumer without the consumer’s knowledge.

(46) “Qualified service organization” has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records);

(47) “Reproductive or sexual health care” has the same meaning as “reproductive health care services” in 1 V.S.A. § 150(c)(1).

(48) “Reproductive or sexual health data” means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer’s receipt of, reproductive or sexual health care.

(49) “Reproductive or sexual health facility” means any health care facility in which at least 70 percent of the health care-related services or products rendered or provided in the facility are reproductive or sexual health care.

(50)(A) “Sale of personal data” means the exchange of a consumer’s personal data by the controller to a third party for monetary or other valuable consideration.

(B) “Sale of personal data” does not include:

(i) the disclosure of personal data to a processor that processes the personal data on behalf of the controller;

(ii) the disclosure of personal data to a third party for purposes of providing a product or service requested by the consumer;

(iii) the disclosure or transfer of personal data to an affiliate of the controller;

(iv) the disclosure of personal data where the consumer directs the controller to disclose the personal data or intentionally uses the controller to interact with a third party;

(v) the disclosure of personal data that the consumer:

(I) intentionally made available to the general public via a channel of mass media; and

(II) did not restrict to a specific audience; or

(vi) the disclosure or transfer of personal data to a third party as an asset that is part of a merger, acquisition, bankruptcy or other transaction, or a proposed merger, acquisition, bankruptcy, or other transaction, in which the third party assumes control of all or part of the controller's assets.

(51) "Sensitive data" means personal data that:

(A) reveals a consumer's government-issued identifier, such as a Social Security number, passport number, state identification card, or driver's license number, that is not required by law to be publicly displayed;

(B) reveals a consumer's racial or ethnic origin, national origin, citizenship or immigration status, religious or philosophical beliefs, or union membership;

(C) reveals a consumer's sexual orientation, sex life, sexuality, or status as transgender or nonbinary;

(D) reveals a consumer's status as a victim of a crime;

(E) is financial information, including a consumer's tax return and account number, financial account log-in, financial account, debit card number, or credit card number in combination with any required security or access code, password, or credentials allowing access to an account;

(F) is consumer health data;

(G) is personal data collected and analyzed concerning consumer health data or personal data that describes or reveals a past, present, or future mental or physical health condition, treatment, disability, or diagnosis, including pregnancy, to the extent the personal data is not used by the controller to identify a specific consumer's physical or mental health condition or diagnosis;

(H) is biometric or genetic data;

(I) is personal data collected from a known child;

(J) is a photograph, film, video recording, or other similar medium that shows the naked or undergarment-clad private area of a consumer; or

(K) is precise geolocation data.

(52)(A) “Targeted advertising” means displaying an advertisement to a consumer where the advertisement is selected based on personal data obtained or inferred from that consumer’s activities over time and across nonaffiliated internet websites or online applications to predict the consumer’s preferences or interests.

(B) “Targeted advertising” does not include:

(i) an advertisement based on activities within a controller’s own websites or online applications;

(ii) an advertisement based on the context of a consumer’s current search query, visit to a website, or use of an online application;

(iii) an advertisement directed to a consumer in response to the consumer’s request for information or feedback; or

(iv) processing personal data solely to measure or report advertising frequency, performance, or reach.

(53) “Third party” means a person, such as a public authority, agency, or body, other than the consumer, controller, or processor or an affiliate of the processor or the controller.

(54) “Trade secret” has the same meaning as in section 4601 of this title.

(55) “Victim services organization” means a nonprofit organization that is established to provide services to victims or witnesses of child abuse, domestic violence, human trafficking, sexual assault, violent felony, or stalking.

Second: In Sec. 1, 9 V.S.A. chapter 61A, in subsection 2417(a), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read:

(2) a covered entity that is not a hybrid entity, any health care component of a hybrid entity, or a business associate;

Third: In Sec. 1, 9 V.S.A. chapter 61A, in subsection 2417(a), by striking out subdivision (8) in its entirety and inserting in lieu thereof a new subdivision (8) to read:

(8) information that originates from, or is intermingled so as to be indistinguishable from, information described in subdivisions (3)–(7) of this subsection that a covered entity, business associate, or a qualified service organization program creates, collects, processes, uses, or maintains in the same manner as is required under the laws, regulations, and guidelines described in subdivisions (3)–(7) of this subsection;

Fourth: In Sec. 1, 9 V.S.A. chapter 61A, by striking out section 2425 in its entirety and inserting in lieu thereof a new section 2425 to read:

§ 2425. ENFORCEMENT: ATTORNEY GENERAL’S POWERS AND PRIVATE RIGHT OF ACTION

(a) A person who violates this chapter or rules adopted pursuant to this chapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title, and the Attorney General shall have exclusive authority to enforce such violations except as provided in subsection (c) of this section.

(b)(1) If the Attorney General determines that a violation of this chapter or rules adopted pursuant to this chapter may be cured, the Attorney General may, prior to initiating any action for the violation, issue a notice of violation extending a 60-day cure period to the controller, processor, or consumer health data controller alleged to have violated this chapter or rules adopted pursuant to this chapter.

(2) The Attorney General may, in determining whether to grant a controller, processor, or consumer health data controller the opportunity to cure an alleged violation described in subdivision (1) of this subsection, consider:

(A) the number of violations;

(B) the size and complexity of the controller, processor, or consumer health data controller;

(C) the nature and extent of the controller’s, processor’s, or consumer health data controller’s processing activities;

(D) the substantial likelihood of injury to the public;

(E) the safety of persons or property;

(F) whether the alleged violation was likely caused by human or technical error; and

(G) the sensitivity of the data.

(c)(1) The private right of action available to a consumer for violations of this chapter or rules adopted pursuant to this chapter shall be exclusively as provided under this subsection.

(2) A consumer who is harmed by a violation of subdivision 2419(b)(2) of this title or section 2426 of this title may bring an action under subsection 2461(b) of this title for the violation, but the right available under subsection 2461(b) of this title shall not be available for a violation of any other provision of this chapter or rules adopted pursuant to this chapter.

(d) Annually, on or before February 1, the Attorney General shall submit a report to the General Assembly disclosing:

(1) the number of notices of violation the Attorney General has issued;

(2) the nature of each violation;

(3) the number of violations that were cured during the available cure period; and

(4) any other matter the Attorney General deems relevant for the purposes of the report.

Fifth: In Sec. 1, 9 V.S.A. chapter 61A, in subdivision 2426(3), following “any health care facility,” by striking out “mental health facility, or reproductive or sexual health facility” and inserting in lieu thereof including any mental health facility or reproductive or sexual health facility.

Sixth: In Sec. 2, 3 V.S.A. § 5023, by striking out subsections (a) and (b) in their entireties and inserting in lieu thereof new subsections (a) and (b) to read:

(a)(1) Advisory Council. There is established the Artificial Intelligence and Data Privacy Advisory Council to:

(A) provide advice and counsel to the Director of the Division of Artificial Intelligence with regard to on the Division’s responsibilities to review all aspects of artificial intelligence systems developed, employed, or procured in State government;

(B) The Council, in consultation with the Director of the Division, shall also engage in public outreach and education on artificial intelligence;

(C) provide advice and counsel to the Attorney General in carrying out the Attorney General’s enforcement responsibilities under the Vermont Data Privacy Act; and

(D) engage in research on data privacy and develop policy recommendations for improving data privacy in Vermont, including:

(i) development of education and outreach to consumers and businesses on the Vermont Data Privacy Act; and

(ii) recommendations for improving the scope of health-care exemptions under the Vermont Data Privacy Act, including based on:

(I) research on the effects on the health care industry of the health-related data-level exemptions under the Oregon Consumer Privacy Act;

(II) economic analysis of compliance costs for the health care industry; and

(III) an analysis of health-related entities excluded from the health-care exemptions under 9 V.S.A. § 2417(a)(2)–(8).

(2)(A) The Advisory Council shall report its findings and any recommendations under subdivision (1)(D) of this subsection (a) to the Senate Committees on Economic Development, Housing and General Affairs, on Health and Welfare, and on Judiciary and the House Committees on Commerce and Economic Development, on Health Care, and on Judiciary on or before January 15, 2025.

(B) The Advisory Council shall have the authority to establish subcommittees to carry out the purposes of subdivision (1)(D) of this subsection (a).

(b) Members.

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

(A) the Secretary of Digital Services or designee;

(B) the Secretary of Commerce and Community Development or designee;

(C) the Commissioner of Public Safety or designee;

(D) the Executive Director of the American Civil Liberties Union of Vermont or designee;

(E) one member who is an expert in constitutional and legal rights, appointed by the Chief Justice of the Supreme Court;

(F) one member with experience in the field of ethics and human rights, appointed by the Governor;

(G) one member who is an academic at a postsecondary institute, appointed by the Vermont Academy of Science and Engineering;

(H) the Commissioner of Health or designee;

(I) the Executive Director of Racial Equity or designee; ~~and~~

(J) the Attorney General or designee;

(K) the Secretary of Human Services or designee;

(L) one member representing Vermont small businesses, appointed by the Speaker of the House; and

(M) one member who is an expert in data privacy, appointed by the Committee on Committees.

(2) Chair. Members of the Advisory Council shall elect by majority vote the Chair of the Advisory Council. Members of the Advisory Council shall be appointed on or before August 1, 2022 in order to prepare as they deem necessary for the establishment of the Advisory Council, including the election of the Chair of the Advisory Council, except that the members appointed under subdivisions (K)–(M) of subdivision (1) of this subsection shall be appointed on or before August 1, 2024.

(3) Qualifications. Members shall be drawn from diverse backgrounds and, to the extent possible, have experience with artificial intelligence.

Thereupon, pending the question, Shall the report of the Committee on Economic Development, Housing and General Affairs be amended as recommended by Senators Lyons, Gulick and Hardy?, Senator Sears requested that the question be divided and the fourth instance of amendment be voted on separately.

Thereupon, the question, Shall the report of the Committee on Economic Development, Housing and General Affairs be amended as recommended by Senators Lyons, Gulick and Hardy, in the fourth instance of amendment?, was disagreed to, on a roll call, Yeas 13, Nays 16.

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, Clarkson, Gulick, Hardy, Harrison, Lyons, MacDonald, McCormack, Perchlik, Vyhovsky, Watson, White, Wrenner.

**Those Senators who voted in the negative were:** Bray, Brock, Campion, Chittenden, Collamore, Cummings, Hashim, Ingalls, Kitchel, Norris, Ram Hinsdale, Sears, Starr, Weeks, Westman, Williams.

Thereupon, pending the question, Shall the report of the Committee on Economic Development, Housing and General Affairs be amended as



recommended by Senators Lyons, Gulick and Hardy, in the first through third, fifth and sixth instances of amendment?, Senator Ram-Hinsdale requested that the question be divided and the first instance of amendment be considered separately.

Thereupon, the question, Shall the report of the Committee on Economic Development, Housing and General Affairs be amended as recommended by Senators Lyons, Gulick and Hardy in the first instance of amendment?, was disagreed to, on a division, Yeas 14, Nays 15.

Thereupon, the question, Shall the report of the Committee on Economic Development, Housing and General Affairs be amended as recommended by Senators Lyons, Gulick and Hardy in the second, third, fifth and sixth instance of amendment?, was agreed to.

Thereupon, the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Economic Development, Housing and General Affairs, as amended?, was agreed to.

Thereupon, the question, Shall the bill be read a third time?, was decided in the affirmative.

### **Message from the House No. 68**

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

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

And has adopted the same on its part.

### **Adjournment**

On motion of Senator Baruth the Senate ajourned until 1:00 P.M..

### **Called to Order**

The Senate was called to order by the President.

### **House Proposal of Amendment Concurred In**

#### **S. 191.**

House proposal of amendment to Senate bill entitled:

An act relating to New American educational grant opportunities.

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:

\* \* \* Vermont Student Assistance Corporation \* \* \*

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 shall not be ineligible for the advancement grant solely on account of the applicant's residency status under subdivision 2822(7) of this title if that applicant:

(1) qualifies as a refugee pursuant to 8 U.S.C. § 1101(a)(42) (definition of refugee);

(2) is granted parole to enter the United States pursuant to 8 U.S.C. § 1182(d)(5) (temporary admission of nonimmigrants for urgent humanitarian reasons); or

(3) is issued a special immigrant visa pursuant to the Afghan Allies Protection Act of 2009, Pub. L. No. 111-8 (8 U.S.C. § 1101 note), as amended.

Sec. 2. INCENTIVE GRANT ELIGIBILITY; RESIDENCY

(a) Notwithstanding any provision of law to the contrary, applicants 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 if the applicant:

(1) qualifies as a refugee pursuant to 8 U.S.C. § 1101(a)(42) (definition of refugee);

(2) is granted parole to enter the United States pursuant to 8 U.S.C. § 1182(d)(5) (temporary admission of nonimmigrants for urgent humanitarian reasons); or

(3) is issued a special immigrant visa pursuant to the Afghan Allies Protection Act of 2009, Pub. L. No. 111-8 (8 U.S.C. § 1101 note), as amended.

(b) This section shall be repealed on July 1, 2027.

Sec. 3. 16 V.S.A. § 2828 is added to read:

§ 2828. FINANCIAL AID ELIGIBILITY FOR CERTAIN STUDENTS

(a) Notwithstanding any provision of law to the contrary, a resident who is otherwise eligible for a State-funded financial aid program administered by the Corporation shall not be ineligible solely on the basis of such resident's immigration status under federal law.

(b) The Corporation shall establish procedures and forms that enable residents eligible under subsection (a) of this section to apply for, and participate in, all State-funded student financial aid programs administered by the Corporation for which such residents are eligible to the full extent permitted by federal law. The Corporation may collect such information as is necessary to confirm eligibility for participation in programs administered by the Corporation.

(c) The Corporation may adopt rules pursuant to 3 V.S.A. chapter 25 as necessary to carry out the provisions of this section.

(d) The Corporation shall include information regarding the impact of this section and the number of students who receive financial aid pursuant to this section in its biannual report to the General Assembly pursuant to subsection 2835(c) of this title.

\* \* \* Vermont State Colleges Corporation \* \* \*

Sec. 4. 16 V.S.A. § 2185 is amended to read:

§ 2185. DETERMINATION OF RESIDENCY FOR TUITION PURPOSES

(a) The Board of Trustees shall adopt policies related to residency for tuition purposes, consistent with State and federal requirements. Any policies adopted by the Board shall not discriminate against or exclude a person based solely on the person's immigration status, or lack thereof, if such person would otherwise qualify for and meet requirements for Vermont residency for tuition purposes as set forth by the Board and as permitted under federal law.

(b) Any member of the U.S. Armed Forces on active duty who is transferred to Vermont for duty other than for the purpose of education shall,

upon transfer and for the period of active duty served in Vermont, be considered a resident for in-state tuition purposes at the start of the next semester or academic period.

(c) For determination of residency for tuition to the Community College of Vermont, a person who resides in Vermont shall be considered a resident for in-state tuition purposes, beginning at the start of the next semester or academic period after arrival in Vermont, if that person:

(1) qualifies as a refugee pursuant to 8 U.S.C. § 1101(a)(42) (Immigration and Nationality Act definition of refugee);

(2) is granted parole to enter the United States pursuant to 8 U.S.C. § 1182(d)(5) (temporary admission of nonimmigrants for urgent humanitarian reasons); or

(3) is issued a special immigrant visa pursuant to the Afghan Allies Protection Act of 2009, Pub. L. No. 111-8 (8 U.S.C. § 1101 note), as amended.

\* \* \*

(e) Except as otherwise provided by law, or by consent of the individual identified in the record, information collected pursuant to this section that directly or indirectly identifies applicants or students, including grant, loan, scholarship, or outreach programs, is exempt from public inspection and copying under the Public Records Act and shall be kept confidential.

\* \* \* University of Vermont and State Agricultural College \* \* \*

Sec. 5. 16 V.S.A. § 2282a is amended to read:

§ 2282a. DETERMINATION OF RESIDENCY FOR TUITION PURPOSES

(a) Enrollment at an institution for higher learning, or presence within the State for the purposes of attending an institution of higher learning, shall not by itself constitute residence for in-state tuition purposes or for the purpose of eligibility for assistance from the Vermont Student Assistance Corporation. The Board of Trustees shall adopt policies related to residency for tuition purposes, consistent with State and federal requirements. Any policies adopted by the Board of Trustees shall not discriminate against or exclude a person based solely on the person's immigration status, or lack thereof, if such person would otherwise qualify for and meet requirements for Vermont residency for tuition purposes as set forth by the Board and as permitted under federal law.

\* \* \*

(d) Except as otherwise provided by law, or by consent of the individual identified in the record, information collected pursuant to this section that

directly or indirectly identifies applicants or students, including grant, loan, scholarship, or outreach programs, is exempt from public inspection and copying under the Public Records Act and shall be kept confidential.

\* \* \* Effective Dates \* \* \*

Sec. 6. EFFECTIVE DATES

(a) This section and Secs. 1 (advancement grants) and 2 (incentive grants) shall take effect on July 1, 2024.

(b) Secs. 3 (financial aid), 4 (Vermont State Colleges Corporation in-state tuition), and 5 (University of Vermont and State Agricultural College in-state tuition) shall take effect on July 1, 2025.

**The Senate President *pro tempore* Assumes the Chair**

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

**Third Reading Ordered**

**J.R.S. 44.**

Senator Gulick, for the Committee on Health and Welfare, to which was referred Joint Senate Resolution entitled:

Joint resolution declaring the increasing number of drug overdose deaths in Vermont to be a public health emergency.

Reported that the resolution ought to pass.

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

**The President Resumed the Chair**

**House Proposals of Amendment Concurred In**

**S. 213.**

House proposal of amendment to Senate bill entitled:

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

Was taken up.

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

First: In Sec. 3, Department of Environmental Conservation; River Corridor Base Map; infill mapping; education and outreach, in subsection (a),

after “On or before January 1, 2026, the Department of Environmental Conservation” and before “shall amend” by inserting “, in consultation with the Agency of Commerce and Community Development and the regional planning commissions,”

Second: By adding a new section to be Sec. 6a to read as follows:

Sec. 6a. 24 V.S.A. § 2291(25) is amended to read:

(25) To regulate by means of an ordinance or bylaw development in a flood hazard area, ~~river corridor protection area,~~ or other hazard area consistent with the requirements of section 4424 of this title and the National Flood Insurance Program. Such an ordinance or bylaw may regulate accessory dwelling units in flood hazard and ~~fluvial erosion~~ areas. However, such an ordinance or bylaw shall not require the filing of an application or the issuance of a permit or other approval by the municipality for a planting project considered to have a permit by operation of subsection 4424(c) of this title.

Third: By adding two new sections to be Secs. 8a and 8b to read as follows:

Sec. 8a. 24 V.S.A. § 4413(a)(2) is amended to read:

(2) Except for State-owned and -operated institutions and facilities, a municipality may regulate each of the land uses listed in subdivision (1) of this subsection for compliance with the National Flood Insurance Program and for compliance with a municipal ordinance or bylaw regulating development in a flood hazard area ~~or river corridor,~~ consistent with the requirements of subdivision 2291(25) and section 4424 of this title. These regulations shall not have the effect of interfering with the intended functional use.

Sec. 8b. 24 V.S.A. § 4414(1)(G) is amended to read:

(G) ~~River corridors and buffers~~ Buffers. In accordance with section 4424 of this title, a municipality may adopt bylaws to protect ~~river corridors and buffers,~~ as ~~those terms are~~ that term is defined in 10 V.S.A. §§ 1422 and 1427, in order to protect public safety; prevent and control water pollution; prevent and control stormwater runoff; preserve and protect wetlands and waterways; maintain and protect natural channel, streambank, and floodplain stability; minimize ~~fluvial erosion and~~ damage to property and transportation infrastructure; preserve and protect the habitat of terrestrial and aquatic wildlife; promote open space and aesthetics; and achieve other municipal, regional, or State conservation and development objectives for ~~river corridors and buffers.~~ Buffer bylaws may regulate the design and location of development; control the location of buildings; require the provision and maintenance or reestablishment of vegetation, including no net loss of vegetation; require screening of development or use from waters;

reserve existing public access to public waters; and impose other requirements authorized by this chapter.

Fourth: In Sec. 15, 10 V.S.A. §§ 918 and 919, in section 918, in subdivision (c)(1), by striking out the last sentence in its entirety.

Fifth: By adding a new section to be Sec. 15a to read as follows:

Sec. 15a. WETLANDS RULEMAKING; ALLOWED USES

As part of the next amendments to the Vermont Wetlands Rules as required under Sec. 15 of this act or otherwise proposed, the Commissioner of Environmental Conservation shall review whether to authorize the following activities as allowed uses within a wetland:

(1) relocation of utility lines and poles adjacent to roadsides; and

(2) temporary access to wetlands, river, and flood restoration projects that are currently allowed uses under the Rules, provided that the Commissioner shall allow temporary access to wetlands as an allowed use for wetlands, river, and flood restoration projects conducted or initiated prior to January 1, 2025.

Sixth: By adding a new section to be Sec. 15b to read as follows:

Sec. 15b. 10 V.S.A. § 1266a is amended to read:

§ 1266a. DISCHARGES OF PHOSPHORUS

(a) No person directly discharging into the drainage basins of Lake Champlain or Lake Memphremagog shall discharge any waste that contains a phosphorus concentration in excess of 0.80 milligrams per liter on a monthly average basis: with the following exceptions:

(1) Discharges discharges of less than 200,000 gallons per day, permitted on or before July 1, 1991, shall not be subject to the requirements of this subsection.;

(2) Discharges discharges from a municipally owned aerated lagoon type secondary sewage treatment plant in the Lake Memphremagog drainage basin, permitted on or before July 1, 1991 shall not be subject to the requirements of this subsection unless the plant is modified to use a technology other than aerated lagoons; and

(3) discharges of less than 35,000 gallons per day from a municipally owned secondary sewage treatment plant using recirculating sand filters in the Lake Champlain drainage basin, permitted on or before July 1, 2001 unless the plant is modified to use a technology other than recirculating sand filters.

(b) Notwithstanding any provision of subsection (a) of this section to the contrary, the Secretary shall establish effluent phosphorus wasteload allocations or concentration limits within any drainage basin in Vermont, as needed to achieve wasteload allocations in a total maximum daily load document approved by the U.S. Environmental Protection Agency, or as needed to attain compliance with water quality standards adopted by the Secretary pursuant to chapter 47 of this title.

(c) [Repealed.]

Seventh: In Sec. 24, transition; dams, by adding a new subsection to be subsection (f) to read as follows:

(f) On or before January 15, 2025, the Agency of Natural Resources shall complete its analysis of the capital and ongoing operations and maintenance costs of the Green River Dam, as authorized in 2022 Acts and Resolves No. 83, Sec. 46, and shall submit the results of the analysis to the House Committees on Environment and Energy and on Appropriations and the Senate Committees on Natural Resources and Energy and on Appropriations.

Eighth: By striking out Sec. 28 (floodplain management; use value appraisal), and its reader assistance and by inserting a new Sec. 28 and its reader assistance to read as follows:

\* \* \* Report on Waiver of Permit Fees \* \* \*

#### Sec. 28. REPORT ON WAIVER OF PERMIT FEES

(a)(1) The Secretary of Natural Resources shall produce a report on whether and how to establish criteria for waiving, reducing, or mitigating Agency of Natural Resources' permit fees for persons of low income or other criteria.

(2) The Chair of the Natural Resources Board shall produce a report on whether and how to establish criteria for waiving, reducing, or mitigating Act 250 permit fees for persons of low income or other criteria.

(b) The reports required under subsection (a) of this section shall include:

(1) a recommendation of whether the State should establish criteria or a methodology for waiving, reducing, or mitigating permit fees for persons of low income or other criteria; and

(2) if a report recommends waiver, reduction, or mitigation under subdivision (1) of this section, what the criteria for waiver, reduction, or mitigation should be and whether the fees should be reduced or entirely waived.



(c) On or before December 15, 2024, the Secretary of Natural Resources and the Chair of the Natural Resources Board shall submit to the House Committees on Ways and Means and on Environment and Energy and the Senate Committees on Finance and on Natural Resources and Energy the reports required under subsection (a) of this section.

Ninth: By striking out Sec. 29, effective dates, and its reader assistance heading in their entirety and inserting in lieu thereof a new Sec. 29 and reader assistance heading to read as follows:

\* \* \* 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) Secs. 6a, 7, 8, 8a, and 9 (conforming amendments to municipal river corridor planning) shall take effect on January 1, 2028, except that in Sec. 9, 24 V.S.A. § 4424(a)(2)(B)(i) (municipal compliance with the State Flood Hazard Area Standards) shall take effect on January 1, 2026;

(2) in Sec. 18, 10 V.S.A. § 1106 (Dam Safety Revolving Loan Fund) shall take effect on passage;

(3) under Sec. 25 (basin planning), the requirement shall be effective for updated tactical basin plans that commence on or after January 1, 2025; and

(4) in Sec. 26 (expanded polystyrene foam requirements), 10 V.S.A. § 1324 (ANR rulemaking) shall take effect on passage.

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

#### **Bills Passed in Concurrence**

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

**H. 862.** An act relating to approval of amendments to the charter of the Town of Barre.

**H. 869.** An act relating to approval of the merger of Brandon Fire District No. 1 and Brandon Fire District No. 2.

**H. 872.** An act relating to miscellaneous updates to the powers of the Vermont Criminal Justice Council and the duties of law enforcement officers.

**Proposal of Amendment; Third Reading Ordered****H. 630.**

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

An act relating to boards of cooperative education services.

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:

\* \* \* Findings and Intent \* \* \*

**Sec. 1. FINDINGS; INTENT**

(a) Findings. The General Assembly finds that:

(1) Vermont's school districts are small by national and regional standards, which denies them some of the benefits of scale. As of 2021, Vermont was one of approximately nine states that did not have an established system of cooperative educational service agencies.

(2) Some specialized education services are higher in cost or intensity but lower in incidence. Collaborating to ensure quality education is more regionally available to serve students in the least restrictive environment, with a focus of reintegration into the classroom, may make providing such services more efficient and affordable.

(3) Students should be in the least restrictive setting to reach success. Some students require a higher level of care and access to peers that would not be available in an inclusive setting. Some students who are currently placed in substantially separate programs are not able to access their community, peers, or inclusive activities. Vermont is currently sending many of these students to programs that are geographically far away or out of state. Working cooperatively could prevent these students from being transported such long distances. Staying closer to home will also afford these students greater opportunities for afterschool or community-based activities.

(4) Market concentration means single districts cannot always rely on competitive bidding to reduce costs and improve quality. Districts often all have separate contracts for the same service, with the same vendor or vendors, which is an avoidable duplicative cost.

(5) For services that all districts need, such as professional development and specialized settings for students with extraordinary needs, collaboration statewide ensures that the highest quality expertise and programming can be shared at scale in ways that benefit all students and districts.

(6) Collaborative management of some functions would yield the same outcome but at a lower price and with fewer demands on administrative time, such that districts can spend proportionally less of every dollar on noninstructional administrative tasks or duplicative services and capabilities.

(7) Examples of functions that can be challenging or less affordable given the small size of Vermont's districts are:

(A) applying for State, federal, and other grants;

(B) supporting staff and educator development, recruitment, and retention;

(C) supporting transformation of operations or implementation of new State initiatives or quality standards;

(D) providing high-quality, evidence- and science-based professional development in a coherent and consistent way;

(E) providing or ensuring access to regionally available specialized settings for students with unique needs or highly specialized needs in the least restrictive environment, with a focus on reintegration and early intervention;

(F) managing prekindergarten programs to ensure equitable access to high-quality prekindergarten programs;

(G) procurement of services to support education, from food service to transportation, given the lack of enough vendors to ensure competitive bidding;

(H) providing skilled facilities planning and management; and

(I) providing appropriate support and instruction for English learners.

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

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

climate; strong ties to family and community; and a clear focus on student achievement and well-being.

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

(11) Community schools provide another framework to encourage and support supervisory unions to be creative as they develop learning communities that integrate student supports, expand and enrich learning opportunities, engage families and communities, develop collaborative leadership, and ensure safe, inclusive, and equitable learning environments.

(b) Intent. This act is one of the initial steps in ensuring the opportunity to transform Vermont's educational system. It is the intent of the General Assembly to address the delivery, governance, and financing of Vermont's education system, with the goal of transforming the educational system to ensure high-quality education for all Vermont students, sustainable and transparent use of public resources, and appropriate support and expertise from the Agency of Education.

\* \* \* Boards of Cooperative Education Services \* \* \*

Sec. 2. 16 V.S.A. chapter 10 is added to read:

#### CHAPTER 10. BOARDS OF COOPERATIVE EDUCATION SERVICES

##### § 601. POLICY

It is the policy of the State to allow and encourage supervisory unions to create boards of cooperative education services to provide shared programs and services on a regional and statewide level. Formation of a board of cooperative education services shall be designed to build upon the geographically focused cooperative regions used by Vermont superintendents as of July 1, 2024; maximize the impact of available dollars through collaborative funding; reduce duplication of programs, personnel, and services; and contribute to equalizing educational opportunities for all pupils.

##### § 602. DEFINITIONS

As used in this chapter:

(1) "Educator" means any:

(A) individual licensed under chapter 51 of this title, the majority of whose employed time in a public school district, supervisory union, or board

of cooperative education services is assigned to furnish to students direct instructional or other educational services, as defined by rule of the Standards Board, or who is otherwise subject to licensing as determined by the Standards Board; or

(B) individual licensed under chapter 51 of this title, the majority of whose employed time in a public school, school district, or supervisory union is assigned to developing and managing school curriculum, evaluating and disciplining personnel, or supervising and managing a public school system or public school program.

(2) “Supervisory union” means an administrative, planning, and educational service unit created by the State Board under section 261 of this title that consists of two or more school districts. This term also means a supervisory district.

§ 603. CREATION OF BOARD OF COOPERATIVE EDUCATION SERVICES; ORGANIZATION; SECRETARY APPROVAL

(a) Establishment of boards of cooperative education services. When the boards of two or more supervisory unions vote to explore the advisability of entering into a written agreement to provide shared programs and services, the interested boards shall meet and discuss the terms of any such agreement. At this meeting or a subsequent meeting, the participating boards may enter into a proposed agreement to form an association of supervisory unions to deliver shared programs and services to complement the educational programs of member supervisory unions in a cost-effective manner. An association formed pursuant to this chapter shall be known as a board of cooperative education services (BOCES) and shall be a body politic and corporate with the powers and duties afforded them under this chapter.

(b) Articles of agreement. Agreements to form a BOCES pursuant to this chapter shall take the form of articles of agreement and shall serve as the operating agreement for a BOCES. Agreements shall include a cost-benefit analysis outlining the projected financial savings or enhanced outcomes, or both, that the parties expect to realize through shared services or programs. No agreement or subsequent amendments shall take effect unless approved by the member supervisory union boards and the Secretary of Education. The Secretary shall approve articles of agreement if the Secretary finds that the formation of the proposed BOCES is in the best interests of the State, the students, and the member supervisory unions and aligns with the policy set forth in section 601 of this title, subject to the limitations of subsection (d) of this section. At a minimum, the articles of agreement shall state:

(1) the names of the participating supervisory unions;

- (2) the mission, purpose, and focus of the BOCES;
  - (3) the programs or services to be offered by the BOCES;
  - (4) the financial terms and conditions of membership of the BOCES, including any applicable membership fee;
  - (5) the service fees for member supervisory unions and the service fees for nonmember supervisory unions, as applicable;
  - (6) the detailed procedure for the preparation and adoption of an annual budget with carryforward provisions;
  - (7) the method of termination of the BOCES and the withdrawal of member supervisory unions, which shall include the apportionment of assets and liabilities;
  - (8) the procedure for admitting new members and for amending the articles of agreement;
  - (9) the powers and duties of the board of directors of the BOCES to operate and manage the association, including:
    - (A) board meeting attendance requirements;
    - (B) consequences for failure to attend a board meeting;
    - (C) a conflict-of-interest policy; and
    - (D) a policy regarding board member salaries or stipends; and
  - (10) any other matter not incompatible with law that the member supervisory unions consider necessary to the formation of the BOCES.
- (c) Board of directors. A BOCES shall be managed by a board of directors, which shall be composed of one person appointed annually by each member supervisory union board. Appointed persons shall be members of a member supervisory union board or the superintendent or designee of the member supervisory union. Each member of the BOCES board of directors shall be entitled to a vote. No member of the board of directors of a BOCES shall serve as a member of a board of directors or as an officer or employee of any related for-profit or nonprofit organization. The board of directors shall elect a chair from its members and provide for such other officers as it may determine are necessary. The board of directors may also establish subcommittees and create board policies and procedures as it may determine are necessary. The board of directors shall meet not fewer than four times annually. Each member of the board of directors shall provide updates on the activities of the BOCES on a quarterly basis to the member's appointing supervisory union board at an open board meeting.

(d) Number of BOCESs. There shall be not more than seven BOCESs statewide. Supervisory unions shall not be a member of more than one BOCES but may seek services as a nonmember from other BOCESs.

§ 604. POWERS OF BOARDS OF COOPERATIVE EDUCATION SERVICES

(a) In addition to any other powers granted by law, a BOCES shall have the power to provide educational programs, services, facilities, and professional and other staff that, in its discretion, best serve the needs of its members. A BOCES shall follow all applicable State and federal laws in its provision of services, including Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, and the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400–1482.

(b) A BOCES may employ an executive director who shall serve under the general direction of the board and who shall be responsible for the care and supervision of the BOCES. The board shall annually evaluate the executive director's performance and effectiveness in implementing the programs, policies, and goals of the BOCES. The executive director shall not serve as a board member, officer, or employee of any related for-profit or nonprofit organization.

(c) A BOCES shall be a body politic and corporate and shall have standing to sue and be sued to the same extent as a school district. A BOCES may enter into contracts for the purchase of supplies, materials and services and for the purchase or leasing of land, buildings, and equipment as considered necessary by the board of directors. Section 559 of this title shall apply to the procurement of services or items with costs that exceed \$40,000.00, as well as high-cost construction contracts, as defined by subsection 559(b) of this title.

(d) The board of directors of a BOCES may apply for State, federal, or private grants, for which a BOCES may be otherwise eligible, to obtain funds necessary to carry out the purpose for which the BOCES is established. Nothing in this chapter is intended to create an entitlement to federal funds distributed by the Agency of Education to local education agencies.

§ 605. FINANCING, BUDGETING, AND ACCOUNTING

(a) Education cooperative fund. A BOCES shall establish and manage a fund to be known as an education cooperative fund. All monies contributed by the member school districts and all grants or gifts from the federal government, State government, charitable foundations, private corporations, or any other source shall be deposited into the fund.

(b) Treasurer.

(1) A BOCES shall appoint a treasurer who may be a treasurer of a member school district and who shall be sworn in before entering the duties of the office.

(2) The treasurer may, subject to the direction of the board of directors, receive and disburse all money belonging to the board without further appropriation.

(3) The treasurer shall keep financial records of cash receipts and disbursements and shall make those records available to the board of directors upon request.

(4) The board of directors shall ensure that its blanket bond covers a newly appointed treasurer before the treasurer enters upon the duties of the office. In lieu of a blanket bond, a BOCES may choose to provide suitable crime insurance coverage. The board of directors may pay reasonable compensation to the treasurer for services rendered and shall evaluate the treasurer's performance annually.

(c) Financial accounting system. A BOCES shall use the uniform chart of accounts and financial reporting requirements used by supervisory unions as its financial accounting system.

(d) Audit. Annually, a BOCES shall cause an independent audit to be made of its financial statements consistent with generally accepted governmental auditing standards and shall discuss and vote to accept the audit report at an open meeting of the board. The board shall transmit a copy of each audit to the boards of its member supervisory unions.

(e) Annual statement. Annually, a BOCES shall prepare financial statements, including:

(1) a statement of net assets; and

(2) a statement of revenues, expenditures, and changes in net assets.

(f) Budget. A board of cooperative education services shall adopt a budget prior to the beginning of the fiscal year for which the budget is adopted.

(g) Loans. A BOCES may, upon approval of its members, negotiate or contract with any person, corporation, association, or company for a loan not to exceed the difference between the anticipated revenues for the current fiscal year for the budget of the BOCES and the amount credited to date to said budget in order to pay current obligations. Such loan shall be liquidated within six months thereafter from monies subsequently credited to said budget. The total principal, interest, and fees to be paid on such loan shall not exceed the total amount of the authorized budget for the same length of time.



§ 606. ANNUAL REPORT; PUBLIC INFORMATION

(a) The board of a BOCES shall prepare an annual report concerning the affairs of the BOCES and have it printed and distributed to the boards of the member supervisory unions. The annual report shall include, at a minimum:

(1) information on the programs and services offered by the BOCES, including information on the cost-effectiveness of such programs and services and progress made towards achieving the objectives and purposes set forth in the articles of agreement; and

(2) audited financial statements and the independent auditor's report.

(b) A BOCES shall maintain an internet website that makes the following information available to the public at no cost:

(1) a list of the members of the board of directors of the BOCES;

(2) copies of approved minutes of open meetings held by the board of the BOCES;

(3) a copy of the articles of agreement and any subsequent amendments; and

(4) a copy of the annual report required under subsection (a) of this section.

§ 607. EMPLOYMENT

(a) A BOCES shall be considered to be a public employer and may employ personnel, including educators, to carry out the purposes and functions of the board. Annually, the board of a BOCES shall conduct an area survey of the salaries of the educators and staff employed by the BOCES's member supervisory unions and school districts.

(b) No person shall be eligible for employment by a BOCES as an educator unless the person is appropriately licensed by the Standards Board for Professional Educators pursuant to chapter 51 of this title.

(c) A person employed by a BOCES as an educator shall be a participant in the Vermont State Teachers' Retirement System pursuant to chapter 55 of this title.

(d) A person who is employed by a BOCES and who is not educator shall be a participant in the Vermont Municipal Employees' Retirement System pursuant to 24 V.S.A. chapter 125.

(e) Educators employed by a BOCES shall be entitled to organize pursuant to chapter 57 of this title.

(f) Employees employed by a BOCES and who are not educators shall be entitled to organize pursuant to 21 V.S.A. chapter 22.

(g) Educators and employees who are employed by a BOCES shall be provided health care benefits pursuant to chapter 61 of this title.

### Sec. 3. TRANSITION; REPORT

(a) On or before July 1, 2026, each supervisory union board shall consider and vote on the desirability of establishing a board of cooperative education services pursuant to 16 V.S.A. chapter 10. There shall be not more than seven boards of cooperative education services established statewide. Supervisory union boards that vote to establish a board of cooperative education services shall hold an organizational meeting pursuant to 16 V.S.A. § 603 on or before July 1, 2027.

(b) On or before July 1, 2028, the Secretary of Education shall review the boards of cooperative education services as they exist, or are anticipated to exist, on that date. On or before November 1, 2028, the Secretary shall issue a written report to the General Assembly and the State Board of Education with the following information and recommendations:

(1) the number of boards of cooperative education services in existence on July 1, 2028, including the names of member supervisory unions and services provided;

(2) the number of supervisory unions that are not members of boards of cooperative education services and information on why such supervisory unions have not joined a board of cooperative education services; and

(3) recommendations for expansion of the membership and powers of boards of cooperative education services, including recommendations for whether membership in such boards shall be mandatory.

### Sec. 4. BOCES GRANT PROGRAM; APPROPRIATION

(a) There is established the Boards of Cooperative Education Services Start-up Grant Program, to be administered by the Agency of Education, from funds appropriated for this purpose, to award grants to boards of cooperative education services (BOCES) formed pursuant to 16 V.S.A. chapter 10 after July 1, 2024. BOCES shall be eligible for a single \$10,000.00 grant after the Secretary of Education approves the applicant's initial articles of agreement pursuant to 16 V.S.A. § 603(b). Grants may be used for start-up costs and may include reimbursement to member supervisory unions for costs incurred during the exploration and formation of the BOCES and articles of agreement.

(b) Notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, the sum of \$70,000.00 is appropriated from the Education Fund to the Agency of

Education in fiscal year 2025 to fund the Boards of Cooperative Education Services Start-up Grant Program created in subsection (a) of this section. Unexpended appropriations shall carry forward into the subsequent fiscal year and remain available for use for this purpose.

\* \* \* Conforming Revisions \* \* \*

Sec. 5. 16 V.S.A. § 261a is amended to read:

§ 261a. DUTIES OF SUPERVISORY UNION BOARD

\* \* \*

(b) Virtual merger. In order to ~~promote the efficient use of financial and human resources~~ maximize the impact of available funding and resources, and to reduce duplication of educational programs, personnel, and services, and whenever legally permissible, supervisory unions are encouraged to reach agreements with other supervisory unions jointly to provide any service or perform any duty under this section pursuant to section 267 of this title, or to form boards of cooperative education services pursuant to chapter 10 of this title. Agreements between supervisory unions are not subject to the waiver requirement of subdivision (a)(8) of this section. Agreements shall include a cost-benefit analysis outlining the projected financial savings or enhanced outcomes, or both, that the parties expect to realize through shared services or programs.

\* \* \*

Sec. 6. 16 V.S.A. § 1691a is amended to read:

§ 1691a. DEFINITIONS

As used in this chapter:

(1) “Administrator” means an individual licensed under this chapter the majority of whose employed time in a public school, school district, ~~or~~ supervisory union, or board of cooperative education services is assigned to developing and managing school curriculum, evaluating and disciplining personnel, or supervising and managing a public school system or public school program.

\* \* \*

(10) “Teacher” means an individual licensed under this chapter the majority of whose employed time in a public school district ~~or,~~ supervisory union, or board of cooperative education services is assigned to furnish to students direct instructional or other educational services, as defined by rule of the Standards Board, or who is otherwise subject to licensing as determined by the Standards Board.

Sec. 7. 16 V.S.A. § 1931(20) is amended to read:

(20) “Teacher” ~~shall mean~~ means any licensed teacher, principal, supervisor, superintendent, or any professional licensed by the Vermont Standards Board for Professional Educators who is regularly employed, or otherwise contracted if following retirement, for the full normal working time for ~~his or her~~ the teacher’s position in a public day school or school district within the State, or in any school or teacher-training institution located within the State, controlled by the State Board of Education, and supported wholly by the State; or in certain public independent schools designated for such purposes by the Board in accordance with section 1935 of this title; or who is regularly employed by a board of cooperative education services created in accordance with chapter 10 of this title. In all cases of doubt, the Board shall determine whether any person is a teacher as defined in this chapter. It ~~shall~~ does not mean a person who is teaching with an emergency license.

Sec. 8. 24 V.S.A. § 5051(10) is amended to read:

(10) “Employee” means the following persons employed on a regular basis by a school district ~~or~~, by a supervisory union, or by a board of cooperative education services for ~~no~~ not fewer than 1,040 hours in a year and for ~~no~~ not fewer than 30 hours a week for the school year, as defined in 16 V.S.A. § 1071, or for ~~no~~ not fewer than 1,040 hours in a year and for ~~no~~ not fewer than 24 hours a week year-round; provided, however, that if a person who was employed on a regular basis by a school district as either a special education or transportation employee and who was transferred to and is working in a supervisory union or a board of cooperative education services in the same capacity pursuant to 16 V.S.A. § 261a(a)(6) or (8)(E) and if that person is also employed on a regular basis by a school district within the supervisory union, then the person is an “employee” if these criteria are met by the combined hours worked for the supervisory union and school district. The term ~~shall~~ also ~~mean~~ means persons employed on a regular basis by a municipality other than a school district for ~~no~~ not fewer than 1,040 hours in a year and for ~~no~~ not fewer than 24 hours per week, including persons employed in a library at least one-half of whose operating expenses are met by municipal funding:

\* \* \*

Sec. 9. 16 V.S.A. § 1981 is amended to read:

#### § 1981. DEFINITIONS

As used in this chapter unless the context requires otherwise:

\* \* \*

(8) “School board negotiations council” means, for a supervisory district, its school board, and, for school districts within a supervisory union or board of cooperative education services, the body comprising representatives designated by each school board within the supervisory union or board of cooperative education services and by the supervisory union board or board of cooperative education services to engage in professional negotiations with a teachers’ or administrators’ organization.

(9) “Teachers’ organization negotiations council” or “administrators’ organization negotiations council” means the body comprising representatives designated by each teachers’ organization or administrators’ organization within a supervisory district ~~or~~, supervisory union, or board of cooperative education services to act as its representative for professional negotiations.

Sec. 10. 21 V.S.A. § 1722 is amended to read:

§ 1722. DEFINITIONS

As used in this chapter:

\* \* \*

(18) “School board negotiations council” means, for a supervisory district, its school board, and, for school districts within a supervisory union or board of cooperative education services, the body comprising representatives designated by each school board within the supervisory union or board of cooperative education services and by the supervisory union board or board of cooperative education services to engage in collective bargaining with their school employees’ negotiations council.

(19) “School employees’ negotiations council” means the body comprising representatives designated by each exclusive bargaining agent within a supervisory district ~~or~~, supervisory union, or board of cooperative education services to engage in collective bargaining with its school board negotiations council.

(20) “Supervisory district” and “supervisory union” ~~shall~~ have the same ~~meaning~~ meanings as in 16 V.S.A. § 11.

(21) “Municipal school employee” means an employee of a supervisory union ~~or~~, school district, or board of cooperative education services who is not otherwise subject to 16 V.S.A. chapter 57 (labor relations for teachers and administrators) and who is not otherwise excluded pursuant to subdivision (12) of this section.

\* \* \*

Sec. 11. 16 V.S.A. § 2101 is amended to read:

## § 2101. DEFINITIONS

As used in this chapter:

(1) “Participating employee” means a school employee who is eligible for and has elected to receive health benefit coverage through a school employer.

(2) “School employee”:

(A) includes the following individuals:

(i) an individual employed by a school employer as a teacher or administrator as defined in section 1981 of this title;

(ii) a municipal school employee as defined in 21 V.S.A. § 1722;

(iii) an individual employed as a supervisor as defined in 21 V.S.A. § 1502;

(iv) a confidential employee as defined in 21 V.S.A. § 1722;

(v) a certified employee of a school employer; and

(vi) any other permanent employee of a school employer not covered by subdivisions (i)-(v) of this subdivision (2); and

(B) notwithstanding subdivision (A) of this subdivision (2), excludes individuals who serve in the role of superintendent.

(3) “School employer” means a supervisory union or school district as those terms are defined in section 11 of this title, or a board of cooperative education services formed pursuant to chapter 10 of this title.

\* \* \* Community Schools \* \* \*

Sec. 12. 2021 Acts and Resolves No. 67, Sec. 3 is amended to read:

Sec. 3. COMMUNITY SCHOOLS; FUNDING

\* \* \*

(c) Funding administration.

(1) Subject to subdivision (2) of this subsection, the Secretary of Education shall determine, using the Agency of Education’s equity lens tool, which eligible recipients shall receive funding and the amount of funding, and the Secretary shall provide the funding on or before September 1 ~~of each of 2021, 2022, and 2023 to recipients.~~ The Secretary may deny or reduce ~~second- and third-year~~ funding after the initial year of funding if the Secretary finds that the recipient has made insufficient progress towards developing and implementing community school programs. In determining which eligible

recipients shall receive funding, the Secretary shall take into account relative need, based on the extent to which community school program services are needed and the extent to which the eligible recipient seeks to offer them.

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

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

(d) Use of funding.

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

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

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

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

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

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

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

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

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

(II) measures of family and community engagement in the eligible schools, including volunteering in schools, attendance at back-to-school nights, and parent-teacher conferences;

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

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

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

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

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

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

(e) Evaluation.

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

(2) On or before each of December 15, ~~2022 and 2024~~ and 2025, the Agency of Education shall report to the General Assembly and the Governor on the impact of the funding under this act. The report shall be made publicly available on the Agency of Education's website.



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

#### Sec. 13. COMMUNITY SCHOOLS REPORT

On or before December 15, 2024, the Agency of Education, in consultation with the Department of Mental Health, shall include in its report required pursuant to 2021 Acts and Resolves No. 67, Sec. 3(e)(2) an evaluation of the community schools program created under 2021 Acts and Resolves No. 67 and make recommendations for further legislative action. The report and recommendations shall address, at a minimum, the following questions:

(1) Does the community schools structure support schools in more efficient implementation of the education quality standards contained in 16 V.S.A. § 165?

(2) Does the community schools structure improve access to and efficiency in the provision of mental health services, social support services, and health services?

#### Sec. 14. COMMUNITY SCHOOLS; APPROPRIATION

(a) Appropriations. Notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, the sum of \$1,000,000.00 is appropriated from the Education Fund to the Agency of Education in fiscal year 2025 for the purpose of providing funding to school districts for the community schools program created under 2021 Acts and Resolves No. 67, Sec. 3, as amended by Sec. 12 of this act.

(b) Agency use of funds. The Agency of Education may set aside:

(1) not more than one percent of the funds appropriated under subsection (a) of this section for informational and technical assistance, such as the availability and use of funding for eligible recipients as defined under 2021 Acts and Resolves No. 67, Sec. 3, as amended by Sec. 12 of this act; and

(2) not more than two percent of the funds appropriated under subsection (a) of this section for the evaluations required under 2021 Acts and Resolves No. 67, Sec. 3, as amended by Sec. 12 of this act.

\* \* \* Effective Date \* \* \*

#### Sec. 15. 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 improving access to high-quality education through community collaboration.”

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

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

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

### **Proposals of Amendment; Third Reading Ordered**

#### **H. 657.**

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

An act relating to the modernization of Vermont’s communications taxes and fees.

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

First: By striking out Secs. 7–13, communications property tax, and their accompanying reader assistance in their entireties and inserting in lieu thereof new Secs. 7–8 and an accompanying reader assistance to read as follows:

\* \* \* Communications Property Tax; Study and Report \* \* \*

#### **Sec. 7. COMMUNICATIONS PROPERTY TAX; STUDY AND REPORT**

(a) The Commissioner of Taxes shall conduct a study concerning the taxation of communications property. The purpose of the study is to develop a recommendation for an updated tax structure that applies to communications property in a fair, reasonable, and nondiscriminatory manner and that reflects modern developments in communications technology and its uses.

(b) As used in this section, generally, “communications property” means tangible personal property used to enable the real-time, two-way, electromagnetic transmission of information, such as audio, video, and data, that is so fitted and attached as to be part of a local, state, national, or international communications network, as well as facilities that are part of a cable television system as defined in 30 V.S.A. § 501(2). The term includes wires, cables, conduit, pipes, antennas, poles, wireless towers, machinery,

distribution hubs, cabinets, splitters, switching equipment, routers, servers, power equipment, and any other network equipment.

(c) In conducting the study required by this section, the Commissioner shall seek input from the Secretary of Transportation, the Secretary of Digital Services, the Commissioner of Public Service, communications property owners, the Vermont League of Cities and Towns, and any other persons deemed appropriate by the Commissioner. In addition, the Commissioner shall review the tax treatment of communications property in other jurisdictions to determine an appropriate model for Vermont.

(d) The Commissioner shall make the following recommendations:

(1) for each category of communications property, whether it should be taxed as real property or as business personal property, taking into consideration such factors as the use, life-cycle, or location of each category of network equipment;

(2) whether any exemptions should apply to communications property based on ownership, use, location, public benefit, or any other factor deemed appropriate by the Commissioner;

(3) a method for determining and fixing the valuations of communications property;

(4) the rate or rates at which communications property should be taxed;

(5) a process for handling property valuations and appeals that minimizes the burden on listers and local governments;

(6) a process for obtaining the data necessary to properly value and tax communications property from the property owners or from other State databases, or both, and the time and manner of data submissions, taking into consideration other regulatory uses and State databases;

(7) a process for routinely auditing and enforcing the recommended tax structure;

(8) resources needed to implement the recommended tax structure; and

(9) any other recommendations deemed appropriate by the Commissioner and consistent with the purpose of the section.

(e) On or before January 15, 2025, the Commissioner shall submit the findings and recommendations required by this section in a written report to the Senate Committee on Finance and the House Committees on Ways and Means and on Environment and Energy.

Sec. 8. ONE-TIME APPROPRIATION FROM THE PILOT SPECIAL FUND; VALUATION MODEL

Notwithstanding 32 V.S.A. § 3709(a), the sum of \$150,000.00 is appropriated from the PILOT Special Fund to the Division of Property Valuation and Review of the Department of Taxes in fiscal year 2025 for the purpose of creating a property valuation model for communications property.

Second: By striking out Sec.13a, 19 V.S.A. § 26a, and its accompanying reader assistance in their entireties and inserting in lieu thereof a new section to be Sec. 9 and an accompanying reader assistance to read as follows:

\* \* \* Public ROW Rent; Study and Report \* \* \*

Sec. 9. COMMUNICATIONS PROPERTY; RIGHT OF WAY RENT; STUDY AND REPORT

(a) The Secretary of Transportation shall conduct a study concerning access to and use of the public right-of-way (ROW) by communications service providers for the purpose of developing a fair, reasonable, and nondiscriminatory fee structure applicable to communications property in the ROW that is commensurate with the public benefit conferred and shall conduct a cost-benefit analysis with respect to implementation of that fee structure in Vermont.

(b)(1) In order to perform a comprehensive cost-benefit analysis as required by subsection (a) of this section, on or before July 1, 2026, the Secretary of Transportation, in consultation with the Vermont Center for Geographic Information (VCGI), shall develop a ROW GIS database indicating the location and ownership of communications property and electric and natural gas infrastructure currently in the ROW.

(2) In a form and manner determined by the Secretary, each communications, electric, and natural gas company that has infrastructure in the ROW shall submit an inventory of its infrastructure in GIS format to the Agency of Transportation for inclusion in the ROW GIS database. The Secretary may require such companies to submit additional information to ensure the database is comprehensive and sufficiently detailed to support various regulatory purposes, including property taxation, emergency management, and broadband mapping.

(3) The Secretary may review and incorporate into its ROW GIS database any relevant data collected and maintained by the Public Safety Communications Task Force, the Department of Public Service, the Department of Taxes, and any other State or municipal entity deemed appropriate by the Secretary.

(4) Data collected pursuant to this subsection shall be exempt from public inspection and copying under the Public Records Act.

(c) In conducting the study required by this section, the Secretary shall seek input from the Commissioner of Taxes, the Commissioner of Public Service, the Public Safety Communications Task Force, communications property owners, the Vermont League of Cities and Towns, and any other persons deemed appropriate by the Secretary. In addition, the Secretary shall review the ROW fee structures used in other jurisdictions to determine an appropriate model for Vermont.

(d) As used in this section:

(1) “Communications property” means tangible personal property used to enable the real-time, two-way, electromagnetic transmission of information, such as audio, video, and data, that is so fitted and attached as to be part of a local, state, national, or international communications network, as well as facilities that are part of a cable television system as defined in 30 V.S.A. § 501(2). The term includes wires, cables, conduit, pipes, antennas, poles, wireless towers, machinery, distribution hubs, cabinets, splitters, switching equipment, routers, servers, power equipment, and any other network equipment in the ROW.

(2) “Public right-of-way” or “ROW” means the area on, below, along, across, or above a public roadway that is part of the State highway or municipal roadway system.

(e) Among other things, the Secretary’s findings and recommendations shall reflect the following:

(1) the specific types of communications property in the ROW;

(2) a fee structure that is proportionate to the public benefit conferred from access to or use of the ROW, which may include a tiered system that factors in population density or deployment costs, or both;

(3) whether any fee exemptions or waivers, temporary or permanent, should apply to communications property in the ROW based on ownership, use, location, public benefit, or any other factor deemed appropriate by the Secretary;

(4) standards and procedures applicable to data collection pursuant to this section that are consistent with existing databases maintained by the State, including the State Geographic Information System (GIS) and that are consistent with prior inventories or studies, such as the GIS report submitted to the General Assembly pursuant to 1988 Acts and Resolves No. 200, and any system design recommendations contained therein;

(5) standards and procedures for accessing data collected pursuant to this section by State or municipal entities or by the general public, subject to any confidentiality parameters deemed appropriate by the Secretary;

(6) resources needed to implement the fee structure developed pursuant to this section;

(7) potential uses of the State or municipal share of any revenue collected pursuant to the fee structure; and

(8) any other matters deemed necessary or appropriate by the Secretary.

(f) On or before December 15, 2026, the Secretary shall submit the findings and recommendations required by this section in a written report to the Senate Committees on Finance and on Transportation and the House Committees on Ways and Means, on Environment and Energy, and on Transportation.

Third: By striking out Sec. 14, effective dates, in its entirety and inserting in lieu thereof a new section to be Sec. 10 to read as follows:

#### Sec. 10. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Sec. 8 (PILOT Fund appropriation) shall take effect on July 1, 2024.

(2) Secs. 1–6 (VUSF contribution method; 988 funding) shall take effect on July 1, 2025.

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

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

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Finance?, Senator Chittenden moved to substitute a proposal of amendment for the proposal of amendment of the Committee on Finance as follows:

First: In Sec. 10, 32 V.S.A. § 3602b, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) As used in this section, “communications property” means tangible personal property used to enable the real-time, two-way, electromagnetic transmission of information, such as audio, video, and data, that is so fitted

and attached as to be part of a local, state, national, or international communications network, as well as facilities that are part of a cable television system as defined in 30 V.S.A. § 501(2). The term includes wires, cables, conduit, pipes, antennas, poles, and wireless towers.

Second: By striking out Sec. 13a, 19 V.S.A. § 26a, and its reader assistance heading in their entireties and inserting in lieu thereof a reader assistance heading and a new section to be Sec. 14 to read as follows:

\* \* \* Study; Public ROW \* \* \*

Sec. 14. STUDY; COMMUNICATIONS INFRASTRUCTURE;  
RIGHT-OF-WAY

(a) The Secretary of Transportation, in consultation with the Commissioner of Public Service and the Secretary of Digital Services, shall conduct a study concerning access to and use of the public right-of-way (ROW) in Vermont by telephone (wired and wireless) and broadband companies. In particular, the Secretary shall determine how the ROW is currently being accessed and used by such companies in Vermont and, in addition, shall review and assess how other jurisdictions outside Vermont manage and charge for such access and use.

(b) As used in this section, “public right-of-way” means the area on, below, along, across, or above a public roadway that is part of the State highway system.

(c) On or before October 15, 2025, the Secretary shall submit a written report of the Secretary’s findings and recommendations to the Senate Committees on Finance and on Transportation and the House Committees on Ways and Means, on Transportation, and on Environment and Energy.

Third: By striking out Sec. 14, effective dates, in its entirety and inserting in lieu thereof a new section to be Sec. 15 to read as follows:

Sec. 15. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Sec. 13 (PILOT Fund appropriation) shall take effect on July 1, 2024.

(2) Secs. 1–6 (VUSF contribution method; 988 funding) shall take effect on July 1, 2025.

(3) Secs. 8–12 (communications property tax) shall take effect on July 1, 2025 and shall apply to grand lists lodged on or after April 1, 2025.

Which was agreed to.

Thereupon, the pending question, Shall the Senate propose to the House to amend the report of the Committee on Finance, as substituted?, was decided in the affirmative.

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

**Rules Suspended; House Proposal of Amendment Not Concurred In;  
Committee of Conference Requested, Committee of Conference  
Appointed; Rules Suspended; Bill Messaged**

**S. 204.**

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

An act relating to supporting Vermont's young readers through evidence-based literacy instruction.

Was taken up for immediate consideration.

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

\* \* \* Findings \* \* \*

Sec. 1. FINDINGS

The General Assembly finds that:

(1) In its December 2023 report to the General Assembly, the Advisory Council on Literacy found the following:

(A) Explicit and systematic instruction on code-based and comprehension-based reading skills and needs-based support are the most effective literacy practices for the early grades.

(B) A strong focus is needed on phonemic awareness, phonics, fluency, vocabulary, and comprehension for all students, and needs-based tiers and layers of support are critical for struggling learners.

(2) Reading instruction is interwoven into the principles of creating culturally responsive and inclusive environments for all students. The availability and use of texts that are culturally relevant and representative of historically underrepresented voices is critical to ensure that all students can connect their experiences to the text they are reading.

\* \* \* 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) The Agency of Education, in collaboration with the Council on Literacy, shall review, score, and publish guidance on universal reading screeners based on established criteria that are based on technical adequacy, attention to linguistic diversity, administrative usability, and valid measures of the developmental skills in early literacy, including phonemic awareness, phonics, fluency, vocabulary, and comprehension. The Agency shall include in its guidance instances in which 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 of instructional time.

(b) Each public and approved independent school that is eligible to receive public tuition shall screen all students in kindergarten through grade three, at least annually, 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.

(c) If such screenings determine that a student is significantly below relevant benchmarks as determined by the screener's guidelines for age-level or grade-level typical development in specific literacy skills, the school shall determine which actions within the general education program will meet the student's needs, including differentiated or supplementary evidence-based reading instruction and ongoing monitoring of progress. Within 30 calendar days of a screening result that is significantly below the relevant benchmarks, the school shall inform the student's parent or guardian of the screening results and the school's response.

(d) 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. Strategies such as the three-cueing system shall not be used in a manner that precedes or supplants decoding instruction.

(e)(1) Each supervisory union and approved independent school that is eligible to receive public tuition shall annually report to the Agency, in a format prescribed by the Agency, the following information and prior year performance, by school:

(A) the number and percentage of students in kindergarten through grade three performing below proficiency on local and statewide reading assessments, as applicable; and

(B) the universal reading screeners utilized.

(2) The Agency shall provide guidance to supervisory unions and approved independent schools that are eligible to receive public tuition on whether, and if so, how, the data provided pursuant to subdivision (1) of this subsection may be disaggregated based on poverty, the provision of special education services, or any other category the Agency deems relevant to understanding the status of the State's progress to improve literacy learning.

(f) 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 (a) 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(c). 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 screening instruments 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 screening instruments.

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. 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~~ kindergarten 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 and shall apply to all public schools and approved independent schools that are eligible to receive public tuition.

(c) Reading instruction. A public school or approved independent school that is eligible to receive public tuition that offers instruction in grades 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 such schools shall provide:

(1) supplemental reading instruction to any enrolled student in grade four whose reading proficiency falls below third grade reading expectations, as defined under subdivision 164(9) of this title; proficiency standards for the student's grade level or whose reading proficiency prevents progress in school.

(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) Schools shall provide support and information to the parents and legal guardians of such students regarding the student's current level of reading proficiency, which shall be based on valid and reliable assessments.

Sec. 6. APPROVED INDEPENDENT SCHOOL COMPLIANCE WITH 16 V.S.A. § 2903

Approved independent schools that are eligible to receive public tuition shall comply with the requirements of 16 V.S.A. § 2903 (preventing early school failure; reading instruction) on or before July 1, 2025.

\* \* \* Literacy Professional Development \* \* \*

Sec. 7. 16 V.S.A. § 1710 is added to read:

§ 1710. LITERACY PROFESSIONAL DEVELOPMENT

(a) Each supervisory union and each approved independent school that is eligible to receive public tuition shall provide professional development to kindergarten through grade-three educators, to include all teachers and

administrators, on implementing a reading screening assessment, interpreting the results, determining instructional practices for students, and communicating with families regarding screening results in a supportive way. The instructional practices included in the professional development provided pursuant to this section shall be evidence-based and effective and shall incorporate the foundational concepts of literacy proficiency, including phonemic awareness, phonics, fluency, vocabulary, and comprehension.

(b) Each supervisory union and approved independent school that is eligible to receive public tuition shall maintain a record of completion of professional development consistent with this section.

#### 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~~ 10 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; and

(J) the Executive Director of the Vermont Curriculum Leaders Association or designee; and

(2) ~~eight~~ seven members who shall serve two-year terms:

(A) ~~a representative appointed by the Vermont Curriculum Leaders Association; [Repealed.]~~

(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 evidence-based 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. POSITION; AGENCY OF EDUCATION; LITERACY

In fiscal year 2025, the conversion of one limited service position created in 2021 Acts and Resolves No. 28, Sec. 4, to one classified permanent status position within the Agency of Education is authorized. The position shall provide support to the Agency in its evidence-based literacy work.

\* \* \* Expanding Early Childhood Literacy Resources \* \* \*

Sec. 12. 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 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 Dates \* \* \*

Sec. 13. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 7 (16 V.S.A. § 1710; literacy professional development) shall take effect on July 1, 2025.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Campion, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Pursuant to the request of the Senate, the President announced the appointment of:

Senator Campion  
Senator Gulick  
Senator Weeks

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

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

**Adjournment**

On motion of Senator Baruth the Senate adjourned until 4:30 P.M..

**Called to Order**

The Senate was called to order by the President.

**Proposal of Amendment; Third Reading Ordered**

**H. 704.**

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

An act relating to disclosure of compensation in job advertisements.

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. 21 V.S.A. § 495o is added to read:

§ 495o. DISCLOSURE OF COMPENSATION TO PROSPECTIVE  
EMPLOYEES



(a)(1) An employer shall ensure that any advertisement of a Vermont job opening shall include the compensation or range of compensation for the job opening.

(2) Notwithstanding subdivision (1) of this subsection:

(A) An advertisement for a job opening that is paid on a commission basis, whether in whole or in part, shall disclose that fact and is not required to disclose the compensation or range of compensation pursuant to subdivision (1) of this subsection (a).

(B) An advertisement for a job opening that is paid on a tipped basis shall disclose that fact and the base wage or range of base wages for the job opening.

(b)(1) The provisions of this section and any claim of retaliation under subdivision 495(a)(8) of this subchapter for asserting or exercising any rights provided pursuant to this section shall only be enforced pursuant to the provisions of 21 V.S.A. § 495b(a)(1).

(2) It shall be a violation of this section and subdivision 495(a)(8) of this subchapter for an employer to refuse to interview, hire, promote, or employ a current or prospective employee for asserting or exercising any rights provided pursuant to this section.

(c) As used in this section:

(1) “Advertisement” means written notice, in any format, of a specific job opening that is made available to potential applicants. “Advertisement” does not include:

(A) general announcements that notify potential applicants that employment opportunities may exist with the employer but do not identify any specific job openings; or

(B) verbal announcements of employment opportunities that are made in person or on the radio, television, or other electronic mediums.

(2) “Base wage” means the hourly wage that an employer pays to a tipped employee and does not include any tips received by the employee. Nothing in this section shall be construed to alter an employer’s obligations to comply with section 384 of this title.

(3) “Employer” means an employer, as defined pursuant to section 495d of this subchapter, that employs five or more employees.

(4) “Good faith” means honesty in fact.

(5) “Potential applicants” includes both current employees of the employer and members of the general public.

(6)(A) “Range of base wages” means the minimum and maximum base wages for a job opening that the employer expects in good faith to pay for the advertised job at the time the employer creates the advertisement.

(B) Nothing in this section shall be construed to prevent an employer from hiring an employee for more or less than the range of base wages contained in a job advertisement based on circumstances outside of the employer’s control, such as an applicant’s qualifications or labor market factors.

(7)(A) “Range of compensation” means the minimum and maximum annual salary or hourly wage for a job opening that the employer expects in good faith to pay for the advertised job at the time the employer creates the advertisement.

(B) Nothing in this section shall be construed to prevent an employer from hiring an employee for more or less than the range of compensation contained in a job advertisement based on circumstances outside of the employer’s control, such as an applicant’s qualifications or labor market factors.

(8)(A) “Vermont job opening” and “job opening” mean any position of employment that is:

(i) either:

(I) physically located in Vermont; or

(II) a remote position that will predominantly perform work for an office or work location that is physically located in Vermont; and

(ii) a position for which an employer is hiring, including:

(I) positions that are open to internal candidates or external candidates, or both; and

(II) positions into which current employees of the employer can transfer or be promoted.

(B) “Vermont job opening” and “job opening” does not include a position that is physically located outside of Vermont and that performs work that is predominantly for one or more offices or work locations that are physically located outside of Vermont.

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**Sec. 2. GUIDANCE; OUTREACH**

(a) On or before January 1, 2025, the Attorney General's Office shall publish guidance for employers and employees regarding the provisions of 21 V.S.A. § 495o (disclosure of compensation to prospective employees).

(b) The Attorney General's Office shall publish the guidance on its website and shall coordinate with the Vermont Commission on Women and other stakeholders to conduct outreach and education regarding the provisions of 21 V.S.A. § 495o (disclosure of compensation to prospective employees).

**Sec. 3. EFFECTIVE DATE**

This act shall take effect on July 1, 2025.

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. 69**

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 bills originating in the Senate of the following titles:

**S. 114.** An act relating to the establishment of the Psychedelic Therapy Advisory Working Group.

**S. 167.** An act relating to miscellaneous amendments to education law.

**S. 183.** An act relating to reenvisioning the Agency of Human Services.

**S. 302.** An act relating to public health outreach programs regarding dementia risk.

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

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

**The Senate President *pro tempore* Assumes the Chair**

**Proposal of Amendment; Third Reading Ordered; Rules Suspended; Bill Passed**

**H. 887.**

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

An act relating to homestead property tax yields, nonhomestead rates, and policy changes to education finance and taxation.

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:

\* \* \* Commission on the Future of Public Education \* \* \*

Sec. 1. THE COMMISSION ON THE FUTURE OF PUBLIC EDUCATION;  
REPORTS

(a) Creation. There is hereby created the Commission on the Future of Public Education in Vermont. The right to education is fundamental for the success of Vermont's children in a rapidly changing society and global marketplace as well as for the State's own economic and social prosperity. The Commission shall study the provision of education in Vermont and make recommendations for a statewide vision for Vermont's public education system to ensure that all students are afforded substantially equal educational opportunities in an efficient, sustainable, and stable education system. The Commission shall also make recommendations for the strategic policy changes necessary to make Vermont's educational vision a reality for all Vermont students.

(b) Membership. The Commission shall be composed of the following members and, to the extent possible, the members shall represent the State's geographic, gender, racial, and ethnic diversity:

(1) the Secretary of Education or designee;

(2) the Chair of the State Board of Education or designee;

(3) the Tax Commissioner or designee;

(4) 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;

(5) two current members of the Senate, not from the same political party, who shall be appointed by the Committee on Committees;

(6) two representatives from the Vermont School Boards Association (VSBA), appointed by the VSBA Executive Director;

(7) two representatives from the Vermont Principals' Association (VPA), selected by the VPA Executive Director;

(8) three superintendents, appointed by the Executive Director of the Vermont Superintendents Association, two of whom shall be appointed as follows:

(A) one superintendent of a supervisory union that operates a career and technical education center; and

(B) one superintendent of a supervisory union composed of at least three separate school districts;

(9) two representatives from the Vermont National Education Association (VTNEA), appointed by the VTNEA Executive Director;

(10) one representative from the Vermont Association of School Business Officials (VASBO) with experience in school construction projects, appointed by the President of VASBO;

(11) the Chair of the Census-Based Funding Advisory Group, created under 2018 Acts and Resolves No. 173 or designee;

(12) the Executive Director of the Vermont Rural Education Collaborative or designee; and

(13) one representative from the Vermont Independent Schools Association (VISA), appointed by the President of VISA.

(c) Steering group. On or before July 1, 2024, the Speaker of the House shall appoint two members of the Commission, the Committee on Committees shall appoint one member of the Commission, and the Governor shall appoint two members of the Commission, to serve as members of a steering group. No appointing authority shall appoint two members affiliated with the same organization. The steering group shall provide leadership to the Commission and shall work with a consultant to analyze the issues, challenges, and opportunities facing Vermont's public education system, as well as create a formal action plan to drive change and innovation in the public education system. The steering group may form one or more subcommittees of the Commission to address key topics in greater depth.

(d) Collaboration and information review.

(1) The Commission shall seek input from and collaborate with key stakeholders, as directed by the steering group. At a minimum, the Commission shall consult with:

(A) the Department of Mental Health;

- (B) the Department of Labor;
- (C) the President of the University of Vermont or designee;
- (D) the Chancellor of the Vermont State Colleges Corporation or designee;
- (E) a representative from the Prekindergarten Education Implementation Committee;
- (F) the Office of Racial Equity;
- (G) a representative with expertise in the Community Schools model in Vermont; and
- (H) the Vermont Youth Council.

(2) The Commission shall also review and take into consideration existing educational laws and policy, including legislative reports the Commission deems relevant to its work and, at a minimum, 2015 Acts and Resolves No. 46, 2018 Acts and Resolves No. 173, 2022 Acts and Resolves No. 127, and 2023 Acts and Resolves No. 76.

(e) Duties of the Commission. The Commission shall study Vermont's public education system and make recommendations to ensure all students are afforded quality educational opportunities in an efficient, sustainable, and equitable education system that will enable students to achieve the highest academic outcomes. The result of the Commission's work shall be a recommendation for a statewide vision for Vermont's public education system, with recommendations for the policy changes necessary to make Vermont's educational vision a reality. In creating and making its recommendations, the Commission shall engage in the following:

(1) Public engagement. The Commission shall conduct not fewer than 10 public meetings to inform the work required under this section. At least half of the public meetings shall be held in a different geographic region of the State. The Commission shall publish a draft of its final recommendations on or before October 1, 2025, solicit public feedback, and incorporate such feedback into its final recommendations. When submitting its final recommendations to the General Assembly, the Commission shall include all public feedback received as an addendum to its final report. The public feedback process shall include:

(A) a minimum 30-day public comment period, during which time the Commission shall accept written comments from the public and stakeholders; and

(B) a public outreach plan that maximizes public engagement and includes notice of the availability of language assistance services when requested.

(2) Policy considerations. In developing its recommendations, the Commission shall consider and prioritize the following topics:

(A) Governance, resources, and administration. The Commission shall study and make recommendations regarding education governance at the State level, including the role of the Agency of Education in the provision of services and support for the education system. Recommendations under this subdivision (A) shall include, at a minimum, the following:

(i) whether changes need to be made to the structure of the Agency of Education, including whether it better serves the recommended education vision of the State as an agency or a department;

(ii) what are the staffing needs of the Agency of Education;

(iii) whether changes need to be made to the composition, role, and function of the State Board of Education to better serve the recommended education vision of the State;

(iv) what roles, functions, or decisions should be a function of local control and what roles, functions, or decisions should be a function of control at the State level; and

(v) the effective integration of career and technical education in the recommended education vision of the State.

(B) Physical size and footprint of the system. The Commission shall study and make recommendations regarding how the unique geographical and socioeconomic needs of different communities should factor into the provision of education in Vermont, taking into account and building upon the recommendations of the State Aid to School Construction Working Group. Recommendations under this subdivision (B) shall include, at a minimum, the following:

(i) an analysis of the current number and location of school buildings, school districts, and supervisory unions and whether additional consolidation is needed to achieve Vermont's vision for education, provided that if there is a recommendation for any amount of consolidation, the recommendation shall include a recommended implementation plan;

(ii) an analysis of the capacity and ability to staff all public schools with a qualified workforce, driven by data on class-size recommendations;

(iii) an analysis of the current town tuition program and whether, and if so, what, changes are necessary to meet Vermont's vision for education, including the legal and financial impact of funding independent schools and other private institutions, including consideration of the following:

(I) the role designation, under 16 V.S.A. § 827, should play in the delivery of public education; and

(II) the financial impact to the Education Fund of public dollars being used in schools located outside Vermont; and

(iv) an analysis of the current use of private therapeutic schools in the provision of special education services and whether, and if so, what, changes are necessary to meet Vermont's special education needs, including the legal and financial impact of funding private therapeutic schools.

(C) The role of public schools. The Commission shall study and make recommendations regarding the role public schools should play in both the provision of education and the social and emotional well-being of students. Recommendations under this subdivision (C) shall include, at a minimum, the following:

(i) how public education in Vermont should be delivered;

(ii) whether Vermont's vision for public education shall include the provision of wraparound supports and collocation of services; and

(iii) what the consequences are for the Commission's recommendations regarding the role of public schools and other service providers, including what the role of public schools means for staffing, funding, and any other affected system, with the goal of most efficiently utilizing State funds and services and maximizing federal funding.

(D) Education fund. The Commission shall explore the efficacy and potential equity gains of changes to the education funding system, including weighted educational opportunity payments as a method to fund public education. The Commission's recommendations shall be intended to result in an education funding system designed to afford substantially equal access to a quality basic education for all Vermont students in accordance with *State v. Brigham*, 166 Vt. 246 (1997). Recommendations under this subdivision (D) shall include, at a minimum, the following:

(i) allowable uses for the Education Fund that shall ensure sustainable and equitable use of State funds;

(ii) the method for setting tax rates to sustain allowable uses of the Education Fund; and



(iii) implementation details for any recommended changes to the education funding system.

(E) Additional considerations. The Commission may consider any other topic, factor, or issue that it deems relevant to its work and recommendations.

(f) Reports and proposed legislation. The Commission shall prepare and submit to the General Assembly the following:

(1) a formal, written work plan, which shall include a communication plan to maximize public engagement, on or before September 15, 2024;

(2) a written report containing its preliminary findings and recommendations, including short-term cost containment considerations for the 2025 legislative session, on or before December 15, 2024;

(3) a written report containing its final findings and recommendations for a statewide vision for Vermont's public education system and the policy changes necessary to make that educational vision a reality on or before December 1, 2025; and

(4) proposed legislative language to advance any recommendations for the education funding system.

(g) Assistance. The Agency of Education shall contract with an independent consultant to provide technical and legal assistance to the Commission for the work required under this section. For the purposes of scheduling meetings and providing administrative assistance, the Commission shall have the assistance of the Agency of Education. The Agency shall also provide the educational and financial data necessary to facilitate the work of the Commission. School boards shall comply with requests from the Agency to assist in data collections.

(h) Meetings.

(1) The Secretary of Education shall call the first meeting of the Commission to occur on or before July 15, 2024.

(2) The Speaker of the House and the President Pro Tempore shall jointly select a Commission chair.

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

(4) Meetings shall be conducted in accordance with Vermont's Open Meeting Law pursuant to 1 V.S.A. chapter 5, subchapter 2.

(5) The Commission shall cease to exist on December 31, 2025.

(i) Compensation and reimbursement. Members of the Commission shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 30 meetings, including subcommittee meetings. These payments shall be made from monies appropriated to the Agency of Education.

Sec. 1a. 2023 Acts and Resolves No. 78, Sec. B.1100 is amended to read:

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

\* \* \*

(r) \$200,000.00 General Fund in fiscal year 2024 to the Agency of Education for the work of the School Construction Task Force and the Commission on the Future of Public Education.

\* \* \*

Sec. 2. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME  
DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD  
PROPERTY TAX RATE FOR FISCAL YEAR 2025

For fiscal year 2025 only:

(1) Pursuant to 32 V.S.A. § 5402b(b), the property dollar equivalent yield shall be \$10,005.00.

(2) Pursuant to 32 V.S.A. § 5402b(b), the income dollar equivalent yield shall be \$10,226.00.

(3) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law to the contrary, the nonhomestead property tax rate shall be \$1.375 per \$100.00 of equalized education property value.

Sec. 3. 32 V.S.A. § 9701(7) is amended to read:

(7) “Tangible personal property” means personal property that may be seen, weighed, measured, felt, touched, or in any other manner perceived by the senses. “Tangible personal property” includes electricity, water, gas, steam, and prewritten computer software regardless of the method in which the prewritten computer software is paid for, delivered, or accessed.

Sec. 4. REPEAL

2015 Acts and Resolves No. 51, Sec. G.8 (prewritten software accessed remotely) is repealed.

Sec. 5. 32 V.S.A. chapter 225, subchapter 4 is added to read:

Subchapter 4. Short-term Rental Impact Surcharge

§ 9301. IMPOSITION; SHORT-TERM RENTAL IMPACT  
SURCHARGE

(a) An operator shall collect a surcharge of three percent of the rent of each occupancy that is a short-term rental. As used in this subchapter, “short-term rental” means a furnished house, condominium, or other dwelling room or self-contained dwelling unit rented to the transient, traveling, or vacationing public for a period of fewer than 30 consecutive days and for more than 14 days per calendar year. As used in this subchapter, “short-term rental” does not mean an occupancy in a lodging establishment licensed under 18 V.S.A. chapter 85.

(b) The surcharge shall be in addition to any tax assessed under section 9241 of this chapter. The surcharge assessed under this section shall be paid, collected, remitted, and enforced under this chapter in the same manner as the rooms tax assessed under section 9241 of this title.

Sec. 6. 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

(1) all revenue paid to the State from the statewide education tax on nonhomestead and homestead property under 32 V.S.A. chapter 135;

(2) [Repealed.]

(3) revenues from State lotteries under 31 V.S.A. chapter 14 and from any multijurisdictional lottery game authorized under that chapter;

(4) 25 percent of the revenues from the meals and rooms taxes imposed under 32 V.S.A. chapter 225;

(5) one-third of the revenues raised from the purchase and use tax imposed by 32 V.S.A. chapter 219, notwithstanding 19 V.S.A. § 11(1);

(6) revenues raised from the sales and use tax imposed by 32 V.S.A. chapter 233; and

(7) Medicaid reimbursement funds pursuant to subsection 2959a(f) of this title;

(8) land use change tax revenue deposited pursuant to 32 V.S.A. § 3757(d);

(9) uniform capacity tax revenue deposited pursuant to 32 V.S.A. § 8701(b)(3);

(10) wind-powered electric generating facilities tax deposited pursuant to 32 V.S.A. § 5402c; and

(11) revenues from the short-term rental surcharge under 32 V.S.A. § 9301.

\* \* \*

Sec. 7. RESERVE FUND ACCOUNT STANDARDS; DISTRICT QUALITY STANDARDS; RULEMAKING

On or before January 1, 2025, the Agency of Education shall initiate rulemaking pursuant to 3 V.S.A. chapter 25 to update the District Quality Standards rules contained in Agency of Education, District Quality Standards (CVR 23-020), to include recommended reserve fund account standards. Prior to initiating rulemaking, the Agency shall consult with local school officials.

Sec. 8. AGENCY OF EDUCATION; EDUCATION FINANCE DATA ANALYST POSITION

(a) One new permanent classified position, to be an education finance data analyst, is established in the Agency of Education in fiscal year 2025 to receive and analyze education finance data to support the field, Secretary, and General Assembly in their respective roles within the education finance system.

(b) It is the intent of the General Assembly that the position created in subsection (a) of this section shall enable the Agency to provide a wider range of accessible and transparent data related to school budgets and education spending, including analysis of trends, to school districts, the General Assembly, and the public at large. It is also the intent of the General Assembly that this position shall enable the Agency to provide robust support to legislative committees and maintain education finance data calculators and models used within the education finance system.

(c) To the extent that funds are available, there is appropriated to the Agency of Education \$125,000.00 from the General Fund in fiscal year 2025 to fund the education finance data analyst position established in subsection (a) of this section.

\* \* \* Fiscal Year 2026 \* \* \*

Sec. 9. 16 V.S.A. § 563 is amended to read:

§ 563. POWERS OF SCHOOL BOARDS; FORM OF VOTE

The school board of a school district, in addition to other duties and authority specifically assigned by law:

\* \* \*

(11)(A) Shall prepare and distribute annually a proposed budget for the next school year according to such major categories as may from time to time be prescribed by the Secretary.

\* \* \*

(D) The board shall present the budget to the voters by means of a ballot in the following form:

“Article #1 (School Budget):

Shall the voters of the school district approve the school board to expend \$ \_\_\_\_\_, which is the amount the school board has determined to be necessary for the ensuing fiscal year? ~~It is estimated that this proposed budget, if approved, will result in education spending of \$ \_\_\_\_\_ per equalized pupil. This projected spending per equalized pupil is \_\_\_\_\_ % higher/lower than spending for the current year.~~

The \_\_\_\_\_ District estimates that this proposed budget, if approved, will result in per pupil education spending of \$ \_\_\_\_\_, which is \_\_\_\_\_ % higher/lower than per pupil education spending for the current year.”

\* \* \*

Sec. 10. REPEAL

2022 Acts and Resolves No. 127, Sec. 8(c) (suspension of ballot language requirement) is repealed.

Sec. 11. 32 V.S.A. § 5414 is added to read:

§ 5414. CREATION; EDUCATION FUND ADVISORY COMMITTEE

(a) Creation. There is created the Education Fund Advisory Committee to monitor Vermont’s education financing system, conduct analyses, and perform the duties under subsection (c) of this section.

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

(1) the Commissioner of Taxes or designee;

(2) the Secretary of Education or designee;

(3) the Chair of the State Board of Education or designee;

(4) two members of the public with expertise in education financing, who shall be appointed by the Speaker of the House;

(5) two members of the public with expertise in education financing, who shall be appointed by the Committee on Committees;

(6) one member of the public with expertise in education financing, who shall be appointed by the Governor;

(7) the President of the Vermont Association of School Business Officials or designee;

(8) one representative from the Vermont School Boards Association (VSBA) with expertise in education financing, selected by the Executive Director of VSBA;

(9) one representative from the Vermont Superintendents Association (VSA) with expertise in education financing, selected by the Executive Director of VSA; and

(10) one representative from the Vermont National Education Association (VTNEA) with expertise in education financing, selected by the Executive Director of VTNEA.

(c) Powers and duties.

(1) Annually, on or before December 15, the Committee shall make recommendations to the General Assembly regarding:

(A) updating the weighting factors using the weighting model and methodology used to arrive at the weights enacted under 2022 Acts and Resolves No. 127, which may include recalibration, recalculation, adding or eliminating weights, or any combination of these actions, as necessary;

(B) changes to, or the addition of new or elimination of existing, categorical aid, as necessary;

(C) changes to income levels eligible for a property tax credit under section 6066 of this title;

(D) means to adjust the revenue sources for the Education Fund;

(E) means to improve equity, transparency, and efficiency in education funding statewide;

(F) the amount of the Education Fund stabilization reserve;

(G) school district use of reserve fund accounts; and

(H) any other topic, factor, or issue the Committee deems relevant to its work and recommendations.

(2) The Committee shall review and recommend updated weights, categorical aid, and changes to the excess spending threshold to the General Assembly not less than every three years, which may include a recommendation not to make changes where appropriate. In reviewing and recommending updated weights, the Committee shall use the weighting model

and methodology used to arrive at the weights enacted under 2022 Acts and Resolves No. 127.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Taxes and the Agency of Education.

(e) Meetings.

(1) The Commissioner of Taxes shall call the first meeting of the Committee to occur on or before July 15, 2025.

(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.

(f) Compensation and reimbursement. Members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under section 1010 of this title for up to four meetings per year.

Sec. 12. REPEAL; EDUCATION FUND ADVISORY COMMITTEE

32 V.S.A. § 5414 (Education Fund Advisory Committee) as added by this act is repealed on July 1, 2034.

\* \* \* Common Level of Appraisal; Statewide Adjustments \* \* \*

Sec. 13. STATE OUTREACH; STATEWIDE ADJUSTMENTS

On or before September 1, 2024, the Secretary of Education, in consultation with the Commissioner of Taxes, shall conduct outreach to inform school districts, public education stakeholders, and the general public of the use of statewide adjustments under this act. The outreach shall include an explanation of how statewide adjustments are used to calculate tax rates and how using the statewide adjustment differs from the previous method for calculating tax rates.

Sec. 13a. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

\* \* \*

(13)(A) “Education property tax spending adjustment” means the greater of one or a fraction in which:

(i) the numerator is the district’s per pupil education spending plus excess spending for the school year, and

(ii) the denominator is the property dollar equivalent yield for the school year, as defined in subdivision (15) of this section, multiplied by the statewide adjustment.

(B) “Education income tax spending adjustment” means the greater of one or a fraction in which the numerator is the district’s per pupil education spending plus excess spending for the school year, and the denominator is the income dollar equivalent yield for the school year, as defined in subdivision (16) of this section.

\* \* \*

(15) “Property dollar equivalent yield” means the amount of per pupil education spending that would result ~~if the~~ in a district having a homestead tax rate were of \$1.00 per \$100.00 of equalized education property value and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained.

(16) “Income dollar equivalent yield” means the amount of per pupil education spending that would result ~~if the~~ in a district having an income percentage in subdivision 6066(a)(2) of this title were of 2.0 percent and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained.

(17) “Statewide adjustment” means the ratio of the aggregate education property tax grand list of all municipalities to the aggregate value of the equalized education property tax grand list of all municipalities.

Sec. 14. 32 V.S.A. § 5402 is amended to read:

§ 5402. EDUCATION PROPERTY TAX LIABILITY

(a) A statewide education tax is imposed on all nonhomestead and homestead property at the following rates:

(1) The tax rate for nonhomestead property shall be \$1.59 per \$100.00 divided by the statewide adjustment.

(2) The tax rate for homestead property shall be \$1.00 multiplied by the education property tax spending adjustment for the municipality per \$100.00 of equalized education property value as most recently determined under section 5405 of this title. The homestead property tax rate for each municipality that is a member of a union or unified union school district shall be calculated as required under subsection (e) of this section.

(b) The statewide education tax shall be calculated as follows:

(1) The Commissioner of Taxes shall determine for each municipality the education tax rates under subsection (a) of this section divided by the



number resulting from dividing the municipality's most recent common level of appraisal by the statewide adjustment. The legislative body in each municipality shall then bill each property taxpayer at the homestead or nonhomestead rate determined by the Commissioner under this subdivision, multiplied by the education property tax grand list value of the property, properly classified as homestead or nonhomestead property and without regard to any other tax classification of the property. Statewide education property tax bills shall show the tax due and the calculation of the rate determined under subsection (a) of this section, divided by the number resulting from dividing the municipality's most recent common level of appraisal by the statewide adjustment, multiplied by the current grand list value of the property to be taxed. Statewide education property tax bills shall also include language provided by the Commissioner pursuant to subsection 5405(g) of this title.

(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonhomestead property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133, including an itemization of the separate taxes due. The bill may be on a single sheet of paper with the statewide education tax and other taxes presented separately and side by side.

(3) If a district has not voted a budget by June 30, an interim homestead education tax shall be imposed at the base rate determined under subdivision (a)(2) of this section, divided by the number resulting from dividing the municipality's most recent common level of appraisal by the statewide adjustment, but without regard to any spending adjustment under subdivision 5401(13) of this title. Within 30 days after a budget is adopted and the deadline for reconsideration has passed, the Commissioner shall determine the municipality's homestead tax rate as required under subdivision (1) of this subsection.

\* \* \*

Sec. 15. 32 V.S.A. § 5402b is amended to read:

§ 5402b. STATEWIDE EDUCATION TAX YIELDS;  
RECOMMENDATION OF THE COMMISSIONER

(a) Annually, ~~no~~ not later than December 1, the Commissioner of Taxes, after consultation with the Secretary of Education, the Secretary of Administration, and the Joint Fiscal Office, shall calculate and recommend a property dollar equivalent yield, an income dollar equivalent yield, and a

nonhomestead property tax rate for the following fiscal year. In making these calculations, the Commissioner shall assume:

(1) the homestead base tax rate in subdivision 5402(a)(2) of this title is \$1.00 per \$100.00 of equalized education property value;

(2) the applicable percentage in subdivision 6066(a)(2) of this title is 2.0;

(3) the statutory reserves under 16 V.S.A. § 4026 and this section were maintained at five percent; and

(4) the percentage change in the average education tax bill applied to nonhomestead property and the percentage change in the average education tax bill of homestead property and the percentage change in the average education tax bill for taxpayers who claim a credit under subsection 6066(a) of this title are equal;

(5) the equalized education grand list is multiplied by the statewide adjustment in calculating the property dollar equivalent yield; and

(6) the nonhomestead rate is divided by the statewide adjustment.

(b) For each fiscal year, the property dollar equivalent yield and the income dollar equivalent yield shall be the same as in the prior fiscal year, unless set otherwise by the General Assembly.

(c) Annually, on or before December 1, the Joint Fiscal Office shall prepare and publish an official, annotated copy of the Education Fund Outlook. The Emergency Board shall review the Outlook at its meetings. As used in this section, "Education Fund Outlook" means the projected revenues and expenses associated with the Education Fund for the following fiscal year, including projections of different categories of educational expenses and costs.

(d) Along with the recommendations made under this section, the Commissioner shall include the range of per pupil spending between all districts in the State for the previous year.

\* \* \* Act 84 Amendments \* \* \*

Sec. 16. 2024 Acts and Resolves No. 84, Sec. 3(c) is amended to read:

(c) Notwithstanding 16 V.S.A. chapter 133, 32 V.S.A. chapter 135, or any other provision of law to the contrary, a school district shall receive a decrease to its homestead property tax rate in fiscal year 2025 equal to \$0.01 for every relative percent decrease calculated under subsection (b) of this section divided by the statewide adjustment, rounded to the nearest whole cent. The tax rate decrease shall phase out in the following manner:

(1) A district shall receive a decrease to its homestead property tax rate in fiscal year 2026 equal to 80 percent of the rate decrease it received under subsection (b) of this section.

(2) A district shall receive a decrease to its homestead property tax rate in fiscal year 2027 equal to 60 percent of the rate decrease it received under subsection (b) of this section.

(3) A district shall receive a decrease to its homestead property tax rate in fiscal year 2028 equal to 40 percent of the rate decrease it received under subsection (b) of this section.

(4) A district shall receive a decrease to its homestead property tax rate in fiscal year 2029 equal to 20 percent of the rate decrease it received under subsection (b) of this section.

Sec. 17. 2024 Acts and Resolves No. 84, Sec. 3(g) is added to read:

(g)(1) In the event that a district with an equalized homestead property tax rate that was decreased by this section merges with another district or districts, the combined district shall receive the greatest decrease under the section available to any of the merged districts.

(2) In the event that a district withdraws from a district with an equalized homestead property tax rate that was decreased by this section, the withdrawing district shall not receive any decrease under this section and the remaining district shall continue to have the same decrease in its equalized homestead property tax rate. If a district is instead dissolved, there shall be no decreased equalized homestead property tax rate for the resulting districts.

\* \* \* Excess Education Spending \* \* \*

Sec. 18. 32 V.S.A. § 5401(12) is amended to read:

(12) “Excess spending” means:

(A) The ~~per-equalized-pupil~~ per pupil spending amount of the district’s education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b).

(B) In excess of ~~121~~ 116 percent of the statewide average district per pupil education spending ~~per-equalized-pupil~~ increased by inflation, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date. As used in this subdivision, “increased by inflation” means increasing the statewide average district per pupil education spending ~~per-equalized-pupil~~ for fiscal year ~~2015~~ 2025 by the most recent New England Economic Project cumulative price index, as of

November 15, for state and local government purchases of goods and services, from fiscal year ~~2015~~ 2025 through the fiscal year for which the amount is being determined.

Sec. 19. REPEAL

2022 Acts and Resolves No. 127, Sec. 8(a) (suspension of laws) is repealed.

Sec. 20. 16 V.S.A. § 4001(6)(B) is amended to read:

(B) For all bonds approved by voters prior to July 1, 2024, voter-approved bond payments toward principal and interest shall not be included in “education spending” for purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12), “education spending” shall not include:

(i) Spending during the budget year for:

(I) approved school capital construction for a project that received preliminary approval under section 3448 of this title, including interest paid on the debt, provided the district shall not be reimbursed or otherwise receive State construction aid for the approved school capital construction; or

(II) spending on eligible school capital project costs pursuant to the State Board of Education’s Rule 6134 for a project that received preliminary approval under section 3448 of this title.

(ii) For a project that received final approval for State construction aid under chapter 123 of this title:

(I) spending for approved school capital construction during the budget year that represents the district’s share of the project, including interest paid on the debt; or

(II) payment during the budget year of interest on funds borrowed under subdivision 563(21) of this title in anticipation of receiving State aid for the project.

(iii) Spending that is approved school capital construction spending or deposited into a reserve fund under 24 V.S.A. § 2804 to pay future approved school capital construction costs, including that portion of tuition paid to an independent school designated as the public high school of the school district pursuant to section 827 of this title for capital construction costs by the independent school that has received approval from the State Board of Education, using the processes for preliminary approval of public school construction costs pursuant to subdivision 3448(a)(2) of this title.

~~(iv) Spending attributable to the cost of planning the merger of a small school, which for purposes of this subdivision means a school with an average grade size of 20 or fewer students, with one or more other schools.~~

~~(v) Spending attributable to the district's share of special education spending that is not reimbursed as an extraordinary reimbursement under section 2962 of this title for any student in the fiscal year occurring two years prior.~~

~~(vi) A budget deficit in a district that pays tuition to a public school or an approved independent school, or both, for all of its resident students in any year in which the deficit is solely attributable to tuition paid for one or more new students who moved into the district after the budget for the year creating the deficit was passed.~~

~~(vii) For a district that pays tuition for all of its resident students and into which additional students move after the end of the census period defined in subdivision (1)(A) of this section, the number of students that exceeds the district's most recent average daily membership and for whom the district will pay tuition in the subsequent year multiplied by the district's average rate of tuition paid in that year.~~

~~(viii) Tuition paid by a district that does not operate a school and pays tuition for all resident students in kindergarten through grade 12, except in a district in which the electorate has authorized payment of an amount higher than the statutory rate pursuant to subsection 823(b) or 824(c) of this title.~~

~~(ix) The assessment paid by the employer of teachers who become members of the State Teachers' Retirement System of Vermont on or after July 1, 2015, pursuant to section 1944d of this title.~~

~~(x) School district costs associated with dual enrollment and early college programs.~~

~~(xi) Costs incurred by a school district or supervisory union when sampling drinking water outlets, implementing lead remediation, or retesting drinking water outlets as required under 18 V.S.A. chapter 24A.~~

\* \* \* Property Tax Credit Claims \* \* \*

## Sec. 21. PROPERTY TAX CREDIT; ASSET DECLARATION; REPORT

On or before December 15, 2024, the Commissioner shall recommend administrative and policy improvements for property tax credit claims, including the use of an asset declaration. The report shall be submitted to the House Committee on Ways and Means and the Senate Committee on Finance.

\* \* \* Act 127 Conforming Amendments \* \* \*

Sec. 22. 16 V.S.A. § 4016 is amended to read:

§ 4016. REIMBURSEMENT FOR TRANSPORTATION EXPENDITURES

(a) A school district or supervisory union that incurs allowable transportation expenditures shall receive a transportation reimbursement grant each year. The grant shall be equal to 50 percent of allowable transportation expenditures; provided, however, that in any year the total amount of grants under this subsection shall not exceed the total amount of adjusted base year transportation grant expenditures. The total amount of base year transportation grant expenditures shall be \$10,000,000.00 for fiscal year 1997, increased each year thereafter by the annual price index for state and local government purchases of goods and services. If in any year the total amount of the grants under this subsection exceed the adjusted base year transportation grant expenditures, the amount of each grant awarded shall be reduced proportionately. Transportation grants paid under this section shall be paid from the Education Fund and shall be added to ~~adjusted~~ education spending payment receipts paid under section 4011 of this title.

\* \* \*

(c) A district or supervisory union may apply and the Secretary may pay for extraordinary transportation expenditures incurred due to geographic or other conditions such as the need to transport students out of the school district to attend another school because the district does not maintain a public school. The State Board shall define extraordinary transportation expenditures by rule. The total amount of base year extraordinary transportation grant expenditures shall be \$250,000.00 for fiscal year 1997, increased each year thereafter by the annual price index for state and local government purchases of goods and services. Extraordinary transportation expenditures shall not be paid out of the funds appropriated under subsection (b) of this section for other transportation expenditures. Grants paid under this section shall be paid from the Education Fund and shall be added to ~~adjusted~~ education spending payment receipts paid under section 4011 of this title.

Sec. 23. 16 V.S.A. § 4026 is amended to read:

§ 4026. EDUCATION FUND BUDGET STABILIZATION RESERVE;  
CREATION AND PURPOSE

(a) It is the purpose of this section to reduce the effects of annual variations in State revenues upon the Education Fund budget of the State by reserving certain surpluses in Education Fund revenues that may accrue for the purpose of offsetting deficits.

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\* \* \*

(e) The enactment of this chapter and other provisions of the Equal Educational Opportunity Act of which it is a part have been premised upon estimates of balances of revenues to be raised and expenditures to be made under the act for such purposes as ~~adjusted~~ education spending payments, categorical State support grants, provisions for property tax income sensitivity, payments in lieu of taxes, current use value appraisals, tax stabilization agreements, the stabilization reserve established by this section, and for other purposes. If the stabilization reserve established under this section should in any fiscal year be less than 5.0 percent of the prior fiscal year's appropriations from the Education Fund, as defined in subsection (b) of this section, the Joint Fiscal Committee shall review the information provided pursuant to 32 V.S.A. § 5402b and provide the General Assembly its recommendations for change necessary to restore the stabilization reserve to the statutory level provided in subsection (b) of this section.

Sec. 24. 16 V.S.A. § 4028 is amended to read:

§ 4028. FUND PAYMENTS TO SCHOOL DISTRICTS

(a) On or before September 10, December 10, and April 30 of each school year, one-third of the ~~adjusted~~ education spending payment under section 4011 of this title shall become due to school districts, except that districts that have not adopted a budget by 30 days before the date of payment under this subsection shall receive one-quarter of the base education amount and upon adoption of a budget shall receive additional amounts due under this subsection.

\* \* \*

\* \* \* Effective Dates \* \* \*

Sec. 25. EFFECTIVE DATES

(a) This section and the following sections shall take effect on passage:

(1) Sec. 1 (Commission on the Future of Public Education);

(2) Sec. 2 (property tax rates and yields);

(3) Sec. 13 (State outreach; statewide adjustments); and

(4) Sec. 17 (Act 84 application to district mergers, withdrawals, and dissolutions).

(b) Secs. 13a–16 (CLA effect on tax rates and statewide adjustment) and 19 (repeal of excess spending suspension) shall take effect July 1, 2025.

(c) Sec. 9 (16 V.S.A. § 563; powers of school boards; form of vote) shall take effect July 1, 2024, provided, however, that 16 V.S.A. § 563(11)(D) shall not apply to ballots used for fiscal year 2025 budgets.

(d) Sec. 5 (32 V.S.A. chapter 225, subchapter 4) shall take effect August 1, 2024.

(e) All other sections shall take effect on July 1, 2024.

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

### **President Resumes the Chair**

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

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Finance?, Senators Kitchel and Perchlik moved to amend the proposal of amendment of the Committee on Finance with the following proposals of amendment thereto:

First: By striking out Sec. 8, Agency of Education; education finance data analyst position, in its entirety and inserting in lieu thereof a new Sec. 8 to read as follows:

Sec. 8. AGENCY OF EDUCATION; EDUCATION FINANCE DATA  
ANALYST POSITION; INTENT

It is the intent of the General Assembly to create a position within the Agency of Education that will enable the Agency to provide a wider range of accessible and transparent data related to school budgets and education spending, including analysis of trends, to school districts, the General Assembly, and the public at large. It is also the intent of the General Assembly that the position shall provide robust support to legislative committees and maintain education finance data calculators and models used within the education finance system.

Second: By adding a reader assistance heading and one new section to be Sec. 24a to read as follows:

\* \* \* Overpayment of Education Taxes \* \* \*

Sec. 24a. COMPENSATION FOR OVERPAYMENT



(a) Notwithstanding any provision of law to the contrary, the sum of \$29,224.00 shall be transferred from the Education Fund to the Town of Canaan in fiscal year 2025 to compensate the homestead taxpayers of the Town of Canaan for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Canaan.

(b) Notwithstanding any provision of law to the contrary, the sum of \$5,924.00 shall be transferred from the Education Fund to the Town of Bloomfield in fiscal year 2025 to compensate the homestead taxpayers of the Town of Bloomfield for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Bloomfield.

(c) Notwithstanding any provision of law to the contrary, the sum of \$2,575.00 shall be transferred from the Education Fund to the Town of Brunswick in fiscal year 2025 to compensate the homestead taxpayers of the Town of Brunswick for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Brunswick.

(d) Notwithstanding any provision of law to the contrary, the sum of \$6,145.00 shall be transferred from the Education Fund to the Town of East Haven in fiscal year 2025 to compensate the homestead taxpayers of the Town of East Haven for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of East Haven.

(e) Notwithstanding any provision of law to the contrary, the sum of \$2,046.00 shall be transferred from the Education Fund to the Town of Granby in fiscal year 2025 to compensate the homestead taxpayers of the Town of Granby for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Granby.

(f) Notwithstanding any provision of law to the contrary, the sum of \$10,034.00 shall be transferred from the Education Fund to the Town of Guildhall in fiscal year 2025 to compensate the homestead taxpayers of the Town of Guildhall for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating

average daily membership. The transfer under this subsection shall be made directly to the Town of Guildhall.

(g) Notwithstanding any provision of law to the contrary, the sum of \$20,536.00 shall be transferred from the Education Fund to the Town of Kirby in fiscal year 2025 to compensate the homestead taxpayers of the Town of Kirby for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Kirby.

(h) Notwithstanding any provision of law to the contrary, the sum of \$2,402.00 shall be transferred from the Education Fund to the Town of Lemington in fiscal year 2025 to compensate the homestead taxpayers of the Town of Lemington for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Lemington.

(i) Notwithstanding any provision of law to the contrary, the sum of \$11,464.00 shall be transferred from the Education Fund to the Town of Maidstone in fiscal year 2025 to compensate the homestead taxpayers of the Town of Maidstone for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Maidstone.

(j) Notwithstanding any provision of law to the contrary, the sum of \$4,349.00 shall be transferred from the Education Fund to the Town of Norton in fiscal year 2025 to compensate the homestead taxpayers of the Town of Norton for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Norton.

(k) Notwithstanding any provision of law to the contrary, the sum of \$2,657.00 shall be transferred from the Education Fund to the Town of Victory in fiscal year 2025 to compensate the homestead taxpayers of the Town of Victory for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Victory.

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 Finance, as amended?, Senator Watson moved to amend the proposal of amendment of the Committee on Fiance, as amended, by adding a reader assistance heading and two new sections to be Secs. 24a and 24b to read as follows:

\* \* \* Tuitioned Students and Determination of Weighted Long-Term  
Membership \* \* \*

Sec. 24a. 16 V.S.A. § 4010 is amended to read:

§ 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP  
AND PER PUPIL EDUCATION SPENDING

(a) Definitions. As used in this section:

(1) “EL pupils” means pupils described under section 4013 of this title.

(2) “FPL” means the Federal Poverty Level.

(3) “Weighting categories” means the categories listed under subsection (b) of this section.

(b) Determination of average daily membership and weighting categories. On or before the first day of December during each school year, the Secretary shall determine the average daily membership, as defined in subdivision 4001(1) of this title, of each school district for the current school year and shall perform the following tasks.

(1)(A) Using average daily membership, list for each school district the number of:

~~(A)(i)~~ pupils in prekindergarten;

~~(B)(ii)~~ pupils in kindergarten through grade five;

~~(C)(iii)~~ pupils in grades six through eight; and

~~(D)(iv)~~ pupils in grades nine through 12;

(B) Using average daily membership, but excluding students for whom the district pays tuition to one or more approved independent schools or public schools outside the district during the annual census period, list for each school district the number of:

~~(E)(i)~~ pupils whose families are at or below 185 percent of FPL, using the highest number of pupils in the district:

~~(i)(I)~~ that meet this definition under the universal income declaration form; or

~~(ii)~~(II) who are directly certified for free and reduced-priced meals; and

~~(F)~~(ii) EL pupils.

(2)(A) Identify all school districts that have low population density, measured by the number of persons per square mile residing within the land area of the geographic boundaries of the district as of July 1 of the year of determination, equaling:

(i) fewer than 36 persons per square mile;

(ii) 36 or more persons per square mile but fewer than 55 persons per square mile; or

(iii) 55 or more persons per square mile but fewer than 100 persons per square mile.

(B) Population density data shall be based on the best available U.S. Census data as provided to the Agency of Education by the Vermont Center for Geographic Information.

(C) Using average daily membership, but excluding students for whom the district pays tuition to one or more approved independent schools or public schools outside the district during the annual census period, list for each school district that has low population density the number of pupils in each of subdivisions (A)(i)–(iii) of this subdivision (2).

(3)(A) Identify all school districts that have one or more small schools, which are schools that have an average two-year enrollment of:

(i) fewer than 100 pupils; or

(ii) 100 or more pupils but fewer than 250 pupils.

(B) As used in subdivision (A) of this subdivision (3), “average two-year enrollment” means the average enrollment of the two most recently completed school years, and “enrollment” means the number of pupils who are enrolled in a school operated by the district on October 1. A pupil shall be counted as one whether the pupil is enrolled as a full-time or part-time student.

(C) Using average two-year enrollment, list for each school district that has a small school the number of pupils in each of subdivisions (A)(i)–(ii) of this subdivision (3).

(c) Reporting on weighting categories to the Agency of Education. Each school district shall annually report to the Agency of Education by a date established by the Agency the information needed in order for the Agency to compute the weighting categories under subsection (b) of this section for that

district. In order to fulfill this obligation, a school district that pays public tuition on behalf of a resident student (sending district) to a public school in another school district, an approved independent school, or an out-of-state school (each a receiving school) may request the receiving school to collect this information on the sending district's resident student, and if requested, the receiving school shall provide this information to the sending district in a timely manner.

(d) Determination of weighted long-term membership. For each weighting category except the small schools weighting category under subdivision (b)(3) of this section, the Secretary shall compute the weighting count by using the long-term membership, as defined in subdivision 4001(7) of this title, or the long-term membership excluding tuitioned students, as defined in subdivision 4001(16) of this title, as specified in that category.

(1) The Secretary shall first apply grade level weights. Each pupil included in long-term membership shall count as one, multiplied by the following amounts:

- (A) prekindergarten—negative 0.54;
- (B) grades six through eight—0.36; and
- (C) grades nine through 12—0.39.

(2) The Secretary shall next apply a weight for pupils whose family is at or below 185 percent of FPL. Each pupil included in long-term membership excluding tuitioned students whose family is at or below 185 percent of FPL shall receive an additional weighting amount of 1.03.

(3) The Secretary shall next apply a weight for EL pupils. Each EL pupil included in long-term membership excluding tuitioned students shall receive an additional weighting amount of 2.49.

(4) The Secretary shall then apply a weight for pupils living in low population density school districts. Each pupil included in long-term membership excluding tuitioned students residing in a low population density school district, measured by the number of persons per square mile residing within the land area of the geographic boundaries of the district as of July 1 of the year of determination, shall receive an additional weighting amount of:

- (A) 0.15, where the number of persons per square mile is fewer than 36 persons;
- (B) 0.12, where the number of persons per square mile is 36 or more but fewer than 55 persons; or

(C) 0.07, where the number of persons per square mile is 55 or more but fewer than 100.

(5) The Secretary shall lastly apply a weight for pupils who attend a small school. If the number of persons per square mile residing within the land area of the geographic boundaries of a school district as of July 1 of the year of determination is 55 or fewer, then, for each pupil listed under subdivision (b)(3)(C) of this section (pupils who attend small schools):

(A) where the school has fewer than 100 pupils in average two-year enrollment, the school district shall receive an additional weighting amount of 0.21 for each pupil included in the small school's average two-year enrollment; or

(B) where the small school has 100 or more but fewer than 250 pupils, the school district shall receive an additional weighting amount of 0.07 for each pupil included in the small school's average two-year enrollment.

(6) A school district's weighted long-term membership shall equal long-term membership plus the cumulation of the weights assigned by the Secretary under this subsection.

(e) Hold harmless. A district's weighted long-term membership shall in no case be less than 96 and one-half percent of its actual weighted long-term membership the previous year prior to making any adjustment under this subsection.

(f) Determination of per pupil education spending. As soon as reasonably possible after a school district budget is approved by voters, the Secretary shall determine the per pupil education spending for the next fiscal year for the school district. Per pupil education spending shall equal a school district's education spending divided by its weighted long-term membership.

(g) Guidelines. The Secretary shall develop guidelines to enable clear and consistent identification of pupils to be counted under this section.

(h) Updates to weights. On or before January 1, 2027 and on or before January 1 of every fifth year thereafter, the Agency of Education and the Joint Fiscal Office shall calculate, based on their consensus view, updates to the weights to account for cost changes underlying those weights and shall issue a written report on their work to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance. The General Assembly shall update the weights under this section and transportation reimbursement under section 4016 of this title not less than every five years and the implementation date for the updated weights and transportation reimbursement shall be delayed by a year in order to provide school districts with time to prepare their budgets. Updates to the

weights may include recalibration, recalculation, adding or eliminating weights, or any combination of these actions.

Sec. 24b. 16 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

As used in this chapter:

\* \* \*

(16) “Long-term membership excluding tuitioned students” of a school district in any school year means the:

(A) average of the district’s average daily membership, excluding both the full-time equivalent enrollment of State-placed students and students for whom the district pays tuition to one or more approved independent schools or public schools outside the district during the annual census period, over two school years, the latter of which is the current school year, plus

(B) full-time equivalent enrollment of State-placed students for the most recent of two years.

Thereupon, Senator Watson requested to withdraw the amendment, 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 Finance, as amended?, Senators Cummings, Bray, Brock, and Chittenden moved to amend the proposal of amendment of the Committee on Finance, as amended; as follows:

First: By striking Sec. 1, the Commission on the Future of Public Education; reports, and its reader assistance heading in their entirety and inserting in lieu thereof a new reader assistance heading and Sec. 1 to read as follows:

\* \* \* Education Finance Study Committee \* \* \*

Sec. 1. EDUCATION FINANCE STUDY COMMITTEE

(a) Creation. There is created the Education Finance Study Committee to study and recommend changes to move towards a more sustainable and affordable education system while maintaining a system that ensures substantially equal educational opportunities for all Vermont students that allows them to achieve academic excellence.

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

(1) the Secretary of Education or designee;

(2) the Commissioner of Taxes or designee;

(3) one member of the House Committee on Education and one member of House the Committee on Ways and Means, who shall be appointed by the Speaker of the House, giving as much consideration as possible to balancing representation from across different political parties; and

(4) one member of the Senate Committee on Education and one member of the Senate Committee on Finance, who shall be appointed by the Committee on Committees giving as much consideration as possible to balancing representation from across different political parties.

(c) Powers and duties. The Study Committee shall study the potential cost containment efficacy and potential equity gains of changes to the education funding system to drive change, cost containment, operational efficiencies, and innovation in the public education system. The Study Committee's recommendations shall be intended to result in an affordable educational funding system designed to ensure substantially equal access to educational opportunities for all Vermont students, in accordance with *Brigham v. State*, 166 Vt. 246 (1997), and lead to measurable, high student performance outcomes. The Study Committee's work under this subsection shall include an investigation into the factors that contribute to the current costs associated with Vermont's education system, with the Study Committee's final recommendations representing efforts to contain and reduce costs without sacrificing student outcomes. To achieve this objective, the Study Committee shall make recommendations, at a minimum, regarding the following:

(1) class and facility size requirements, including recommendations regarding staff-to-student ratios that are in alignment with national best practices and lead to schools staffed by a qualified workforce;

(2) whether, and if so, what, alternative funding models would create a more affordable, sustainable, and equitable education finance system in Vermont, including the consideration of a statutory, formal base amount of per pupil education spending and whether school districts should be allowed to spend above the base amount;

(3) whether encouraging or mandating further school district and facility consolidation should be encouraged or mandated, taking into account the unique geographical and socioeconomic needs of different communities, the role the current town tuition program plays in the provision of education and its impacts on education spending and equity, and a transition plan to achieve any recommendations pursuant to this subdivision;

(4) recommendations for consolidating supervisory unions and the provision of administrative services, including the provision of professional



development, long-range planning, and business services, and a transition plan to achieve any such recommendations;

(5) adjustments to the excess spending threshold, including recommendations that target specific types of spending;

(6) the implementation of education spending caps on different services, including administrative and support services and categorical aid;

(7) what roles, functions, or decisions should be a function of local control and what roles, functions, or decisions should be a function of control at the State level, both within the education system as a whole as well as more specifically within the education finance system;

(8) how to strengthen the understanding and connection between school budget votes and property tax bills;

(9) adjustments to the property tax credit thresholds to better match need to the benefit; and

(10) a system for ongoing monitoring of the Education Fund and Vermont's education finance system, to include consideration of a standing Education Fund advisory committee.

(d) Collaboration. The Study Committee shall seek input from and collaborate with key stakeholders, including, at a minimum, the following:

(1) the Vermont School Boards Association;

(2) the Vermont Principals' Association;

(3) the Vermont Superintendents Association;

(4) the Vermont National Education Association;

(5) the Vermont Association of School Business Officials;

(6) the Vermont Independent Schools Association; and

(7) any other local, regional, or national organization with expertise in public school governance or financing, including other state or local governments.

(e) Assistance.

(1) The Study Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Operations, Joint Fiscal Office, and Office of Legislative Counsel.

(2) The Joint Fiscal Office may retain the services of one or more independent third parties to provide facilitation and technical assistance to the Study Committee.

(f) Proposed legislation. On or before December 15, 2024, the Study Committee shall submit its findings and final recommendations in the form of proposed legislation to the General Assembly.

(g) Meetings.

(1) The Secretary of Education shall call the first meeting of the Study Committee to occur on or before July 15, 2024.

(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 December 31, 2024.

(h) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Study Committee serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than 15 meetings. These payments shall be made from monies appropriated to the General Assembly.

Second: In Sec. 1a., 2023 Acts and Resolves No. 78, Sec. B.1100, following "the School Construction Task Force", by inserting ", the Education Finance Study Committee,"

Third: By adding a new section to be Sec. 1b to read as follows:

**Sec. 1b. COORDINATION OF FUNDING FOR STUDY COMMITTEES  
AND COMMISSIONS**

The Agency of Education shall transfer funds to the Joint Fiscal Office as necessary to meet the financial obligations of the Education Finance Study Committee created pursuant to Sec. 1 of this act.

Fourth: By adding a new reader assistance heading and section to be Sec. 1c. to read as follows:

**\* \* \* Commission on the Future of Public Education \* \* \***

**Sec. 1c. THE COMMISSION ON THE FUTURE OF PUBLIC  
EDUCATION; REPORTS**

(a) Creation. There is hereby created the Commission on the Future of Public Education in Vermont. The right to education is fundamental for the success of Vermont's children in a rapidly changing society and global marketplace as well as for the State's own economic and social prosperity. The Commission shall study the provision of education in Vermont and make recommendations for a statewide vision for Vermont's public education system

to ensure that all students are afforded substantially equal educational opportunities in an efficient, sustainable, and stable education system. The Commission shall also make recommendations for the strategic policy changes necessary to make Vermont's educational vision a reality for all Vermont students.

(b) Membership. The Commission shall be composed of the following members and, to the extent possible, the members shall represent the State's geographic, gender, racial, and ethnic diversity:

(1) the Secretary of Education or designee;

(2) the Chair of the State Board of Education or designee;

(3) the Tax Commissioner or designee;

(4) one current member of the House of Representatives, appointed by the Speaker of the House;

(5) one current member of the Senate, appointed by the Committee on Committees;

(6) one representative from the Vermont School Boards Association (VSBA), appointed by the VSBA Executive Director;

(7) one representative from the Vermont Principals' Association (VPA), appointed by the VPA Executive Director;

(8) one superintendent, appointed by the Executive Director of the Vermont Superintendents Association;

(9) one representative from the Vermont National Education Association (VTNEA), appointed by the VTNEA Executive Director;

(10) one representative from the Vermont Association of School Business Officials (VASBO) with experience in school construction projects, appointed by the President of VASBO;

(11) the Chair of the Census-Based Funding Advisory Group, created under 2018 Acts and Resolves No. 173;

(12) the Executive Director of the Vermont Rural Education Collaborative; and

(13) one representative from the Vermont Independent Schools Association (VISA), appointed by the President of VISA.

(c) Steering group. On or before July 1, 2025, the Speaker of the House shall appoint two members of the Commission, the Committee on Committees shall appoint one member of the Commission, and the Governor shall appoint two members of the Commission to serve as members of a steering group. No

appointing authority shall appoint two members affiliated with the same organization. The steering group shall provide leadership to the Commission and shall work with a consultant or consultants to analyze the issues, challenges, and opportunities facing Vermont's public education system, as well as develop and propose a work plan to formalize the process through which the Commission shall seek to achieve its final recommendations. The formal work plan shall be approved by a majority of the Commission members. The steering group may form one or more subcommittees of the Commission to address key topics in greater depth.

(d) Collaboration and information review.

(1) The Commission shall seek input from and collaborate with key stakeholders, as directed by the steering group. At a minimum, the Commission shall consult with:

(A) the Department of Mental Health;

(B) the Department of Labor;

(C) the President of the University of Vermont or designee;

(D) the Chancellor of the Vermont State Colleges Corporation or designee;

(E) a representative from the Prekindergarten Education Implementation Committee;

(F) the Office of Racial Equity;

(G) a representative with expertise in the Community Schools model in Vermont; and

(H) the Vermont Youth Council.

(2) The Commission shall also review and take into consideration existing educational laws and policy, including legislative reports the Commission deems relevant to its work and, at a minimum, 2015 Acts and Resolves No. 46, 2018 Acts and Resolves No. 173, 2022 Acts and Resolves No. 127, and 2023 Acts and Resolves No. 76.

(e) Duties of the Commission. The Commission shall study Vermont's public education system and make recommendations to ensure all students are afforded quality educational opportunities in an efficient, sustainable, and equitable education system that will enable students to achieve the highest academic outcomes. The result of the Commission's work shall be a recommendation for a statewide vision for Vermont's public education system, with recommendations for the policy changes necessary to make Vermont's

educational vision a reality. In creating and making its recommendations, the Commission shall engage in the following:

(1) Public engagement. The Commission shall conduct not fewer than 14 public meetings to inform the work required under this section. At least one meeting of the Commission as a whole or a subcommittee of the Commission shall be held in each county. The Commission shall publish a draft of its final recommendations on or before October 1, 2026, solicit public feedback, and incorporate such feedback into its final recommendations. When submitting its final recommendations to the General Assembly, the Commission shall include all public feedback received as an addendum to its final report. The public feedback process shall include:

(A) a minimum 30-day public comment period, during which time the Commission shall accept written comments from the public and stakeholders; and

(B) a public outreach plan that maximizes public engagement and includes notice of the availability of language assistance services when requested.

(2) Policy considerations. In developing its recommendations, the Commission shall consider and prioritize the following topics:

(A) Governance, resources, and administration. The Commission shall study and make recommendations regarding education governance at the State level, including the role of the Agency of Education in the provision of services and support for the education system. Recommendations under this subdivision (A) shall include, at a minimum, the following:

(i) whether changes need to be made to the structure of the Agency of Education, including whether it better serves the recommended education vision of the State as an agency or a department;

(ii) what are the staffing needs of the Agency of Education;

(iii) whether changes need to be made to the composition, role, and function of the State Board of Education to better serve the recommended education vision of the State;

(iv) what roles, functions, or decisions should be a function of local control and what roles, functions, or decisions should be a function of control at the State level; and

(v) the effective integration of career and technical education in the recommended education vision of the State.

(B) Physical size and footprint of the education system. The Commission shall study and make recommendations regarding how the unique geographical and socioeconomic needs of different communities should factor into the provision of education in Vermont, taking into account and building upon the recommendations of the State Aid to School Construction Working Group. Recommendations under this subdivision (B) shall include, at a minimum, the following:

(i) an analysis of the current number and location of school buildings, school districts, and supervisory unions and whether additional consolidation is needed to achieve Vermont's vision for education, provided that if there is a recommendation for any amount of consolidation, the recommendation shall include a recommended implementation plan;

(ii) an analysis of the capacity and ability to staff all public schools with a qualified workforce, driven by data on class-size recommendations;

(iii) analysis of whether, and if so, how, collaboration with Vermont's postsecondary schools may support the development and retention of a qualified educator workforce;

(iv) an analysis of the current town tuition program and whether, and if so, what, changes are necessary to meet Vermont's vision for education, including the legal and financial impact of funding independent schools and other private institutions, including consideration of the following:

(I) the role designation, under 16 V.S.A. § 827, should play in the delivery of public education; and

(II) the financial impact to the Education Fund of public dollars being used in schools located outside Vermont; and

(v) an analysis of the current use of private therapeutic schools in the provision of special education services and whether, and if so, what, changes are necessary to meet Vermont's special education needs, including the legal and financial impact of funding private therapeutic schools.

(C) The role of public schools. The Commission shall study and make recommendations regarding the role public schools should play in both the provision of education and the social and emotional well-being of students. Recommendations under this subdivision (C) shall include, at a minimum, the following:

(i) how public education in Vermont should be delivered;

(ii) whether Vermont's vision for public education shall include the provision of wraparound supports and collocation of services;

(iii) whether, and if so, how, collaboration with Vermont's postsecondary schools may support and strengthen the delivery of public education; and

(iv) what the consequences are for the Commission's recommendations regarding the role of public schools and other service providers, including what the role of public schools means for staffing, funding, and any other affected system, with the goal of most efficiently utilizing State funds and services and maximizing federal funding.

(D) Education fund. The Commission shall explore the efficacy and potential equity gains of changes to the education funding system, including weighted educational opportunity payments as a method to fund public education. The Commission's recommendations shall be intended to result in an education funding system designed to afford substantially equal access to a quality basic education for all Vermont students in accordance with *State v. Brigham*, 166 Vt. 246 (1997). Recommendations under this subdivision (D) shall include, at a minimum, the following:

(i) allowable uses for the Education Fund that shall ensure sustainable and equitable use of State funds;

(ii) the method for setting tax rates to sustain allowable uses of the Education Fund; and

(iii) implementation details for any recommended changes to the education funding system.

(E) Additional considerations. The Commission may consider any other topic, factor, or issue that it deems relevant to its work and recommendations.

(f) Reports and proposed legislation. The Commission shall prepare and submit to the General Assembly the following:

(1) a formal, written work plan, which shall include a communication plan to maximize public engagement, on or before September 15, 2025;

(2) a written report containing its preliminary findings and recommendations, including short-term cost containment considerations for the 2026 legislative session, on or before December 15, 2025;

(3) a written report containing its final findings and recommendations for a statewide vision for Vermont's public education system and the policy changes necessary to make that educational vision a reality on or before December 1, 2026; and

(4) proposed legislative language to advance any recommendations for the education funding system on or before December 15, 2026.

(g) Assistance. The Agency of Education shall contract with one or more independent consultants or facilitators to provide technical and legal assistance to the Commission for the work required under this section. For the purposes of scheduling meetings and providing administrative assistance, the Commission shall have the assistance of the Agency of Education. The Agency shall also provide the educational and financial data necessary to facilitate the work of the Commission. School districts shall comply with requests from the Agency to assist in data collections.

(h) Meetings.

(1) The Secretary of Education shall call the first meeting of the Commission to occur on or before July 15, 2025.

(2) The Speaker of the House and the President Pro Tempore shall jointly select a Commission chair.

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

(4) Meetings shall be conducted in accordance with Vermont's Open Meeting Law pursuant to 1 V.S.A. chapter 5, subchapter 2.

(5) The Commission shall cease to exist on December 31, 2026.

(i) Compensation and reimbursement. Members of the Commission shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 30 meetings, including subcommittee meetings. These payments shall be made from monies appropriated to the Agency of Education.

Fifth: In Sec. 25, effective dates, by striking out “(Commission on the Future of Public Education)” and inserting in lieu thereof “(Education Finance Study Committee)”

Which was agreed to, on a roll call, Yeas 19, Nays 10.

Senator Champion, 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, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Weeks, Westman, Williams.



**Those Senators who voted in the negative were:** Clarkson, Gulick, Hardy, Harrison, Hashim, Lyons, Vyhovsky, Watson, White, Wrenner.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Finance, as amended? Senator Cummings moved to further amend the proposal of amendment as recommended by the Committee on Finance, as amended, as follows:

First: In Sec. 1, Education Finance Study Committee, by striking out subdivision (b)(3) in its entirety and inserting in lieu thereof a new subdivision (b)(3) to read as follows:

(3) three current members of the House of Representatives, who shall be appointed by the Speaker of the House, giving as much consideration as possible to balancing representation from across different political parties, as follows:

(A) one member of the House Committee on Education;

(B) one member of the House Committee on Ways and Means; and

(C) one member from either the House Committee on Education or on Ways and Means;

Second: In Sec. 1, Education Finance Study Committee, by striking out subdivision (b)(4) in its entirety and inserting in lieu thereof a new subdivision (b)(4) to read as follows:

(4) three current members of the Senate, who shall be appointed by the Committee on Committees, giving as much consideration as possible to balancing representation from across different political parties, as follows:

(A) one member of the Senate Committee on Education;

(B) one member of the Senate Committee on Finance; and

(C) one member from either the Senate Committee on Education or on Finance;

Which were agreed to.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Finance, as amended?, Senator Gulick moved to further amend the proposal of amendment of the Committee on Finance, as amended, by adding a reader assistance heading and one new section to be Sec. 24a to read as follows:

\* \* \* Out-of-State Approved Independent Schools \* \* \*

Sec. 24a. 16 V.S.A. § 828 is amended to read:

## § 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL

(a) A school district shall not pay the tuition of a student except to a public school, an approved independent school eligible to receive public tuition located in Vermont, an independent school meeting education quality standards, a tutorial program approved by the State Board, an approved education program, or an independent school in another state ~~or country~~ located within 25 miles of the Vermont border and approved under the laws of that state or country, that complies with the reporting requirement under subsection 4010(c) of this title, nor shall payment of tuition on behalf of a person be denied on account of age. Unless otherwise provided, a person who is aggrieved by a decision of a school board relating to eligibility for tuition payments, the amount of tuition payable, or the school the person may attend, may appeal to the State Board and its decision shall be final.

(b) An independent school in another state located within 25 miles of the Vermont border that is approved under the laws of that state is eligible to receive public tuition if the following conditions are met:

(1) The independent school has adopted and implemented policies and procedures to comply with all antidiscrimination laws applicable to public schools in the state where the independent school is located and makes reasonable efforts to enforce those policies and procedures, even if those laws by their terms do not apply to the independent school. The school shall attest to compliance with this subdivision on or before August 1 of each year.

(2) The independent school posts and maintains on its website in a prominent place its policy to comply with all antidiscrimination laws that apply to public schools in the state where the independent school is located. The school shall attest to compliance with this subdivision on or before August 1 of each year.

(3) The independent school provides an assurance on or before August 1 of each year, signed by the head of school, that no public funds were used to subsidize the tuition of private payer students.

Which was disagreed to, on a roll call, Yeas 11, Nays 18.

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:** Clarkson, Gulick, Hardy, Harrison, Hashim, MacDonald, McCormack, Vyhovsky, Watson, White, Wrenner.

**Those Senators who voted in the negative were:** Baruth, Bray, Brock, Champion, Chittenden, Collamore, Cummings, Ingalls, Kitchel, Lyons, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Weeks, Westman, Williams.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Finance, as amended?, Senator Gulick moved to further amend the proposal of amendment of the Committee on Finance as follows

By adding a reader assistance heading and one new section to be Secs. 24a to read as follows:

\* \* \* Approved Independent Schools \* \* \*

Sec. 24a. 16 V.S.A. § 166 is amended to read:

§ 166. APPROVED AND RECOGNIZED INDEPENDENT SCHOOLS

(a) Authority. An independent school may operate and provide elementary education or secondary education if it is either approved or recognized as set forth in this section.

(b) Approved independent schools. On application, the State Board shall approve an independent school that offers elementary or secondary education if it finds, after opportunity for hearing, that the school provides a minimum course of study pursuant to section 906 of this title and that it substantially complies with all statutory requirements for approved independent schools and the Board's rules for approved independent schools. An independent school that intends to accept public tuition shall be approved by the State Board only on the condition that the school agrees, notwithstanding any provision of law to the contrary, to enroll any student who requires special education services and who is placed in or referred to the approved independent school as an appropriate placement and least restrictive environment for the student by the student's individualized education program team or by the local education agency; provided, however, that this requirement shall not apply to an independent school that limits enrollment to students who are on an individualized education program or a plan under Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, and who are enrolled pursuant to a written agreement between the local education agency and the school. Except as provided in subdivision (6) of this subsection, the Board's rules must at minimum require that the school have the resources required to meet its stated objectives, including financial capacity; faculty who are qualified by training and experience in the areas in which they are assigned; and physical facilities and special services that are in accordance with any State or federal law or regulation. Approval may be granted without State Board evaluation in the case of any school accredited by a private, State, or regional agency

recognized by the State Board for accrediting purposes, provided that the State Board shall determine that the school complies with all student enrollment provisions required by law.

\* \* \*

(9) An approved independent school that intends to accept public tuition shall be approved by the State Board as eligible to receive public tuition only on the condition that the school complies with the following requirements; provided, however, that this subdivision (9) shall not apply to an independent school that limits enrollment to students who are on an individualized education program or a plan under Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, and who are enrolled pursuant to a written agreement between the local education agency and the school:

(A) the school's tuition rate for publicly tuitioned students shall be the same as or lower than the tuition rate for private payer students and both tuition rates shall be published on the school's website and reported annually to the Agency of Education;

(B) publicly tuitioned students shall not be charged an application fee, an academic fee, or any other fees for academic materials; and

(C) the school posts on its website an assurance, signed by the head of school, that no public funds were used to subsidize the tuition of private payer students.

\* \* \*

Which was disagreed to, on a roll call, Yeas 8, Nays 21.

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:** Clarkson, Gulick, Hardy, McCormack, Vyhovsky, Watson, White, Wrenner.

**Those Senators who voted in the negative were:** Baruth, Bray, Brock, Campion, Chittenden, Collamore, Cummings, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Weeks, Westman, Williams.

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

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

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

**Message from the House No. 70**

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. 534.** An act relating to retail theft.

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. Notte of Rutland City  
Rep. Burditt of West Rutland  
Rep. Dolan of Essex Junction.

**Rules Suspended; Immediate Consideration; House Proposal of Amendment Concurred In with Further Proposal of Amendment**

**S. 310.**

Pending entry on the calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate bill entitled:

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

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:

\* \* \* 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:

(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;

(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.

(3) Annually, by November 15, the Department of Public Safety shall submit a report detailing the current Program design and any grants awarded pursuant to this section during the preceding year to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations.

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 or transferred 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. [Deleted.]

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~~ \$1,500,000.00 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~~ \$450,000.00 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.

\* \* \*

\* \* \* Credit Facilities for Local Investments \* \* \*

Sec. 4a. 10 V.S.A. § 10 is amended to read:

§ 10. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL INVESTMENTS

(a) Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary, the Vermont State Treasurer shall have the authority to establish a credit facility of up to 10 percent of the State's average cash balance on terms acceptable to the Treasurer and consistent with prudent investment principles and guidelines pursuant to 32 V.S.A. § 433(b)–(c) and the Uniform Prudent Investor Act, 14A V.S.A. chapter 9.

(b) The Treasurer may use amounts available under subsection (a) of this section to provide financing for infrastructure projects in Vermont mobile home parks and may modify the terms of such financing in ~~his or her~~ the Treasurer's discretion as is necessary to promote the availability of mobile home park housing and to protect the interests of the State.

(c) Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary, and in addition to the provisions of subsection (a) on this section, the Vermont State Treasurer shall have the authority to establish a credit facility of up to two and one-half percent of the State's average cash balance on terms acceptable to the Treasurer and consistent with prudent investment principles and guidelines pursuant to 32 V.S.A. § 433(b)–(c) and the Uniform Prudent Investor Act, 14A V.S.A. chapter 9. The Treasurer may use amounts available under this subsection only to provide financing for climate infrastructure and



resilience projects and may modify the terms of such financing in the Treasurer's discretion as is necessary to protect the interest of the State.

(d) Annually, on or before November 15, the Treasurer shall submit a report detailing the activities, financing, and accounting of any credit facilities created pursuant to subsection (c) of this section during the preceding calendar year to the Governor; the House Committees on Appropriations, on Commerce and Economic Development, and on Ways and Means; and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

Sec. 4b. TREASURER CLIMATE INFRASTRUCTURE FINANCING  
COORDINATION; REPORT

(a) The Treasurer may use funds appropriated in fiscal year 2025 to coordinate climate infrastructure financing efforts within the State, including use for administrative costs and third-party consultations. The Treasurer shall seek to create a framework for effective collaboration among State organizations, agencies, and financial instrumentalities to maximize the amount of federal funds the State may receive and to effectively coordinate the deployment of these funds.

(b) On or before December 15, 2024, the Treasurer shall submit a report detailing the status of coordination efforts described in subsection (a) of this section and any recommendations regarding legislation for State climate infrastructure financing to the House Committees on Appropriations, on Commerce and Economic Development, on Environment and Energy, on Government Operations and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, on Finance, on Government Operations, and on Natural Resources and Energy.

\* \* \* Defining First Responder \* \* \*

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 during an emergency or all-hazards event, 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 would provide clinical services and emergency care in hospitals and medical facilities created to address an all-hazards event;

(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. [Deleted.]

Sec. 6a. 20 V.S.A. chapter 181 is amended to read:

CHAPTER 181. BENEFITS FOR THE SURVIVORS OF EMERGENCY  
PERSONNEL

§ 3171. DEFINITIONS

As used in this chapter:

(1) “Board” means the Emergency Personnel Survivors Benefit Review Board.

(2) “Child” means ~~a natural or legally adopted child~~, regardless of age, the deceased’s biological child, foster child, adoptive child, or stepchild; a child for whom the deceased is listed as a parent on the child’s birth certificate; a legal ward of the deceased; a child of the deceased’s spouse; or a child for whom the deceased had day-to-day responsibilities to care for and financially support at the time of death or when the child was under 18 years of age.

(3) “Correctional officer” has the same meaning as in 28 V.S.A. § 3.

(4) “Domestic partner” means an individual with whom the deceased had an enduring domestic relationship of a spousal nature at the time of death, provided that at the time of death the deceased and the domestic partner:

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

(B) were at least 18 years of age;

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

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

(E) had agreed between themselves to be responsible for each other’s welfare.

(5) “Firefighter” has the same meaning as in subdivision 3151(3) of this title.

(6) “Emergency medical personnel” has the same meaning as in 24 V.S.A. § 2651.

(7) “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;~~  
 (C) law enforcement officers; and  
 (D) correctional officers.

(8) “Law enforcement officer” means a law enforcement officer who has been certified by the Vermont Criminal Justice Council pursuant to section 2358 of this title.

~~(4)~~(9) “Line of duty” means:

(A) ~~answering or returning from~~ With respect to firefighters, emergency medical personnel, and volunteer personnel:

(i) service in answer to a call of the department or service for a fire or emergency or training drill, including going to and returning from a fire or emergency or participating in a fire or emergency training drill; or

~~(B)~~(ii) similar service in another town or district to which the department or service has been called for firefighting or emergency purposes.

(B) With respect to law enforcement officers:

(i) service as a law enforcement officer in answer to a complaint lodged with the department or in response to a disorder, including going to, returning from, and investigating or responding to the complaint or disorder; or

(ii) service under orders from the department or in any emergency for which the law enforcement officer serves as a law enforcement officer.

(C) With respect to correctional officers:

(i) supervision or monitoring of inmates in a correctional facility;

(ii) supervision or monitoring of one or more persons serving a sentence of incarceration outside a correctional facility; or

(iii) supervision or monitoring of a person on parole or probation.

~~(5)~~(10) “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)~~(11) “Parent” means a natural or adoptive parent the deceased’s biological parent, foster parent, adoptive parent, or stepparent; an individual who is listed as a parent on the deceased’s birth certificate; a legal guardian of

the deceased; or an individual who had day-to-day responsibilities to care for and financially support the deceased when the deceased was under 18 years of age.

(12) “Spouse” includes an individual’s domestic partner or civil union partner.

~~(7)~~(13) “Survivor” means a spouse, child, or parent of deceased emergency personnel.

(14) “Volunteer personnel” has the same meaning as in 24 V.S.A. § 2651.

§ 3172. EMERGENCY PERSONNEL SURVIVORS BENEFIT REVIEW BOARD

(a)(1) There is created the Emergency 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 of the public to represent the interests of emergency personnel appointed by the Governor for a term of two years~~ the Chair of the Law Enforcement Advisory Board or designee, and the Commissioner of Corrections or designee.

(2) Survivors of emergency 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, within 18 months after the death of the emergency personnel, request the Board award a monetary benefit under section 3173 of this ~~title~~ chapter.

(3) The Board shall be responsible for determining whether to award monetary benefits under section 3173 of this chapter. 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.

(4) 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 had no spouse at the time of death, to the surviving child, or equally among surviving children. If the deceased emergency 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 is not survived by a spouse, children, or parents, the Board shall not award a monetary benefit under this chapter.

\* \* \*

(f) ~~The 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 duties. [Repealed.]~~

#### § 3173. MONETARY BENEFIT

(a) The survivors of emergency personnel who ~~dies~~ die while in the line of duty or from an occupation-related illness may apply for a payment of \$80,000.00 from the State.

\* \* \*

#### § 3175. EMERGENCY PERSONNEL SURVIVORS BENEFIT SPECIAL FUND

(a) The Emergency 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.

\* \* \*

(c) 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, the American Red Cross, and community-based emergency or charitable food providers, to assess the facility and the facility's potential operations, including the characteristics of the surrounding area during an all-hazards event, multiple routes of travel and possible hazards that could prevent access to the shelter, and the need for immediate and sustained access to food and water for individuals using 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, community-based emergency or charitable food providers, and any other interested public or private individual or organization.

\* \* \*

#### Sec. 7a. RESTAURANT MEALS PROGRAM

On or before March 1, 2025, the Department shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare addressing the resources needed to enable Vermont to implement the Supplemental Nutrition Assistance Program's Restaurant Meals Program, including the potential need for additional staff and information technology changes.

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 regional emergency management and 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, 2025, 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 ability to provide food and water where it is needed, 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. [Deleted.]

\* \* \* 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 residents 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 and treat stormwater runoff or 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~~ 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 ~~such~~ 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 ~~such~~ 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 ~~such~~ 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; the number of persons residing on or frequenting the premises served by those sewers; 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 ~~sueh~~ 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 ~~sueh~~ a dedicated fund pursuant to this section, it shall first adopt a municipal ordinance authorizing and controlling ~~sueh~~ the funds. ~~Sueh~~ 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

~~Sueh~~ 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.

§ ~~3618~~ 3619. MEETINGS; VOTE

Any action taken by ~~sueh~~ 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 ~~sueh~~ the municipal corporation, excepting the issuance of bonds and, in municipalities wherein ~~sueh~~ 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 ~~sueh~~ 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. § 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.

\* \* \* 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, 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 ANI or pseudo-Automatic Number Identification (p-ANI) that can be used to query the Enhanced 911 or third-party databases to provide the Automatic Location Identification as defined by standards approved by the 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) 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.

#### 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.

\* \* \* 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, as soon as practicable. 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. [Deleted.]

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; organizations that represent language service providers; and other relevant stakeholders.

(b) Duties. The Working Group shall:

(1) develop best practices for the provision of language assistance services in emergency communications during and after all-hazards events, as defined in 2 V.S.A. § 2;

(2) identify geographical areas within the State with the greatest needs for language assistance services during and after all-hazards events; and

(3) analyze and make recommendations on the appropriate uses of 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 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.

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~~ Subject to the provisions of subsection (c) of this section, 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 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~~ Subject to the provisions of subsection (c) of this section, 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 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.

(c)(1) Any services, equipment, supplies, materials, or funds by way of gift, grant, or loan for purposes of emergency management, accepted by the Governor pursuant to subsections (a) and (b) of this section shall be accepted in accordance with the provisions of 32 V.S.A. § 5.

(2)(A) Notwithstanding the provisions of subdivision (1) of this subsection, the Governor shall have the sole authority to accept services, equipment, supplies, materials, or funds by way of gift, grant, or loan for purposes of emergency management pursuant to subsections (a) or (b) of this section, or both, if there exists a reasonable expectation that without the acceptance the all-hazards event will imminently cause bodily harm, loss of life, or significant property damage within the State.

(B) As soon as practicable after an acceptance pursuant to subsection (A) of this subsection (2), the Department of Finance and Management shall provide the Joint Fiscal Committee and Legislative Joint Fiscal Office a report detailing the acceptance and shall include information with respect to the following items:

(i) the circumstances leading the Governor to reasonably expect that without the acceptance the all-hazards event would have imminently caused bodily harm, loss of life, or significant property damage within the State;

(ii) the source and value;

(iii) the legal and referenced title, in the case of a grant;

(iv) the costs, direct and indirect, for the present and future years;

(v) the receiving department or program, or both; and

(vi) a brief statement of purpose.

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 Senate Committee on Committees.

(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 Senate Committee on Committees, 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;<sub>2</sub>

(B) “passing through” funds made available by any agency, public or private;<sub>2</sub> 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.

Sec. 36. [Deleted.]

Sec. 37. [Deleted.]

\* \* \* 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.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Clarkson, Hardy, Norris, Watson, White and Vyhovsky moved that the Senate concur in the House proposal of amendment with a proposal of amendment by striking out Sec. 6a, 20 V.S.A. chapter 181, in its entirety and inserting in lieu thereof the following:

Sec. 6a. [Deleted.]

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

**Rules Suspended, Immediate Consideration; Proposals of Amendment;  
Bill Passed in Concurrence with Proposal of Amendment**

**H. 121.**

On motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to enhancing consumer privacy.

Was placed in all remaining stages of passage.

Thereupon, pending third reading of the bill, Senator Ram Hinsdale moved to amend the Senate proposal of amendment as follows:

First: In Sec. 1, Vermont Data Privacy Act, by striking out section 2415 in its entirety and inserting in lieu thereof a new section 2415 to read as follows:

§ 2415. DEFINITIONS

As used in this chapter:

(1)(A) “Affiliate” means a legal entity that shares common branding with another legal entity or controls, is controlled by, or is under common control with another legal entity.

(B) As used in subdivision (A) of this subdivision (1), “control” or “controlled” means:

(i) ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a company;

(ii) control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or

(iii) the power to exercise controlling influence over the management of a company.

(2) “Authenticate” means to use reasonable means to determine that a request to exercise any of the rights afforded under subdivisions 2418(a)(1)–(5) of this title is being made by, or on behalf of, the consumer who is entitled to exercise the consumer rights with respect to the personal data at issue.

(3)(A) “Biometric data” means personal data generated from the technological processing of an individual’s unique biological, physical, or physiological characteristics that is linked or reasonably linkable to an individual, including:

(i) iris or retina scans;

(ii) fingerprints;

(iii) facial or hand mapping, geometry, or templates;

(iv) vein patterns;

(v) voice prints; and

(vi) gait or personally identifying physical movement or patterns.

(B) “Biometric data” does not include:

(i) a digital or physical photograph;

(ii) an audio or video recording; or

(iii) any data generated from a digital or physical photograph, or an audio or video recording, unless such data is generated to identify a specific individual.

(4) “Broker-dealer” has the same meaning as in 9 V.S.A. § 5102.

(5) “Business associate” has the same meaning as in HIPAA.

(6) “Child” has the same meaning as in COPPA.

(7)(A) “Consent” means a clear affirmative act signifying a consumer’s freely given, specific, informed, and unambiguous agreement to allow the processing of personal data relating to the consumer.

(B) “Consent” may include a written statement, including by electronic means, or any other unambiguous affirmative action.

(C) “Consent” does not include:

(i) acceptance of a general or broad terms of use or similar document that contains descriptions of personal data processing along with other, unrelated information;

(ii) hovering over, muting, pausing, or closing a given piece of content; or

(iii) agreement obtained through the use of dark patterns.

(8)(A) “Consumer” means an individual who is a resident of the State and who is an adult.

(B) “Consumer” does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit, or government agency whose communications or transactions with the controller occur solely within the context of that individual’s role with the company, partnership, sole proprietorship, nonprofit, or government agency.

(9) “Consumer health data” means any personal data that a controller uses to identify a consumer’s physical or mental health condition or diagnosis, including gender-affirming health data and reproductive or sexual health data.

(10) “Consumer health data controller” means any controller that, alone or jointly with others, determines the purpose and means of processing consumer health data.

(11) “Consumer reporting agency” has the same meaning as in the Fair Credit Reporting Act, 15 U.S.C. § 1681a(f);

(12) “Controller” means a person who, alone or jointly with others, determines the purpose and means of processing personal data.

(13) “COPPA” means the Children’s Online Privacy Protection Act of 1998, 15 U.S.C. § 6501–6506, and any regulations, rules, guidance, and exemptions promulgated pursuant to the act, as the act and regulations, rules, guidance, and exemptions may be amended.

(14) “Covered entity” has the same meaning as in HIPAA.

(15) “Credit union” has the same meaning as in 8 V.S.A. § 30101.

(16) “Decisions that produce legal or similarly significant effects concerning the consumer” means decisions made by the controller that result in the provision or denial by the controller of financial or lending services, housing, insurance, education enrollment or opportunity, criminal justice, employment opportunities, health care services, or access to essential goods or services.

(17) “De-identified data” means data that does not identify and cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable individual, or a device linked to the individual, if the controller that possesses the data:

(A)(i) takes reasonable measures to ensure that the data cannot be used to re-identify an identified or identifiable individual or be associated with an individual or device that identifies or is linked or reasonably linkable to an individual or household;

(ii) for purposes of this subdivision (A), “reasonable measures” shall include the de-identification requirements set forth under 45 C.F.R. § 164.514 (other requirements relating to uses and disclosures of protected health information);

(B) publicly commits to process the data only in a de-identified fashion and not attempt to re-identify the data; and

(C) contractually obligates any recipients of the data to satisfy the criteria set forth in subdivisions (A) and (B) of this subdivision (17).

(18) “Educational institution” has the same meaning as “educational agency or institution” in 20 U.S.C. § 1232g (family educational and privacy rights);

(19) “Financial institution”:

(A) as used in subdivision 2417(a)(12) of this title, has the same meaning as in 15 U.S.C. § 6809; and

(B) as used in subdivision 2417(a)(14) of this title, has the same meaning as in 8 V.S.A. § 11101.

(20) “Gender-affirming health care services” has the same meaning as in 1 V.S.A. § 150.

(21) “Gender-affirming health data” means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer’s receipt of, gender-affirming health care services, including:

(A) precise geolocation data that is used for determining a consumer’s attempt to acquire or receive gender-affirming health care services;

(B) efforts to research or obtain gender-affirming health care services; and

(C) any gender-affirming health data that is derived from nonhealth information.

(22) “Genetic data” means any data, regardless of its format, that results from the analysis of a biological sample of an individual, or from another source enabling equivalent information to be obtained, and concerns genetic material, including deoxyribonucleic acids (DNA), ribonucleic acids (RNA), genes, chromosomes, alleles, genomes, alterations or modifications to DNA or RNA, single nucleotide polymorphisms (SNPs), epigenetic markers, uninterpreted data that results from analysis of the biological sample or other source, and any information extrapolated, derived, or inferred therefrom.

(23) “Geofence” means any technology that uses global positioning coordinates, cell tower connectivity, cellular data, radio frequency identification, wireless fidelity technology data, or any other form of location detection, or any combination of such coordinates, connectivity, data, identification, or other form of location detection, to establish a virtual boundary.

(24) “Health care component” has the same meaning as in HIPAA.

(25) “Health care facility” has the same meaning as in 18 V.S.A. § 9432.

(26) “HIPAA” means the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191, and any regulations promulgated pursuant to the act, as may be amended.

(27) “Hybrid entity” has the same meaning as in HIPAA.

(28) “Identified or identifiable individual” means an individual who can be readily identified, directly or indirectly, including by reference to an identifier such as a name, an identification number, specific geolocation data, or an online identifier.



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(29) “Independent trust company” has the same meaning as in 8 V.S.A. § 2401.

(30) “Investment adviser” has the same meaning as in 9 V.S.A. § 5102.

(31) “Mental health facility” means any health care facility in which at least 70 percent of the health care services provided in the facility are mental health services.

(32) “Nonpublic personal information” has the same meaning as in 15 U.S.C. § 6809.

(33) “Patient identifying information” has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records).

(34) “Patient safety work product” has the same meaning as in 42 C.F.R. § 3.20 (patient safety organizations and patient safety work product).

(35)(A) “Personal data” means any information, including derived data and unique identifiers, that is linked or reasonably linkable to an identified or identifiable individual or to a device that identifies, is linked to, or is reasonably linkable to one or more identified or identifiable individuals in a household.

(B) “Personal data” does not include de-identified data or publicly available information.

(36)(A) “Precise geolocation data” means personal data derived from technology that accurately identifies within a radius of 1,850 feet a consumer’s present or past location or the present or past location of a device that links or is linkable to a consumer or any data that is derived from a device that is used or intended to be used to locate a consumer within a radius of 1,850 feet by means of technology that includes a global positioning system that provides latitude and longitude coordinates.

(B) “Precise geolocation data” does not include the content of communications or any data generated by or connected to advanced utility metering infrastructure systems or equipment for use by a utility.

(37) “Process” or “processing” means 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, or modification of personal data.

(38) “Processor” means a person who processes personal data on behalf of a controller.

(39) “Profiling” means any form of automated processing performed on personal data to evaluate, analyze, or predict personal aspects related to an

identified or identifiable individual's economic situation, health, personal preferences, interests, reliability, behavior, location, or movements.

(40) "Protected health information" has the same meaning as in HIPAA.

(41) "Pseudonymous data" means personal data that cannot be attributed to a specific individual without the use of additional information, provided the additional information is kept separately and is subject to appropriate technical and organizational measures to ensure that the personal data is not attributed to an identified or identifiable individual.

(42) "Publicly available information" means information that:

(A) is lawfully made available through federal, state, or local government records or widely distributed media; or

(B) a controller has a reasonable basis to believe a consumer has lawfully made available to the general public.

(43) "Qualified service organization" has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records);

(44) "Reproductive or sexual health care" has the same meaning as "reproductive health care services" in 1 V.S.A. § 150(c)(1).

(45) "Reproductive or sexual health data" means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer's receipt of, reproductive or sexual health care.

(46) "Reproductive or sexual health facility" means any health care facility in which at least 70 percent of the health care-related services or products rendered or provided in the facility are reproductive or sexual health care.

(47)(A) "Sale of personal data" means the exchange of a consumer's personal data by the controller to a third party for monetary or other valuable consideration, including for political gain.

(B) "Sale of personal data" does not include:

(i) the disclosure of personal data to a processor that processes the personal data on behalf of the controller;

(ii) the disclosure of personal data to a third party for purposes of providing a product or service requested by the consumer;

(iii) the disclosure or transfer of personal data to an affiliate of the controller;

(iv) the disclosure of personal data where the consumer directs the controller to disclose the personal data or intentionally uses the controller to interact with a third party;

(v) the disclosure of personal data that the consumer:

(I) intentionally made available to the general public via a channel of mass media; and

(II) did not restrict to a specific audience; or

(vi) the disclosure or transfer of personal data to a third party as an asset that is part of a merger, acquisition, bankruptcy or other transaction, or a proposed merger, acquisition, bankruptcy, or other transaction, in which the third party assumes control of all or part of the controller's assets.

(48) "Sensitive data" means personal data that:

(A) reveals a consumer's government-issued identifier, such as a Social Security number, passport number, state identification card, or driver's license number, that is not required by law to be publicly displayed;

(B) reveals a consumer's racial or ethnic origin, national origin, citizenship or immigration status, religious or philosophical beliefs, union membership, or political affiliation;

(C) reveals a consumer's sexual orientation, sex life, sexuality, or status as transgender or nonbinary;

(D) reveals a consumer's status as a victim of a crime;

(E) is financial information, including a consumer's tax return and account number, financial account log-in, financial account, debit card number, or credit card number in combination with any required security or access code, password, or credentials allowing access to an account;

(F) is consumer health data;

(G) is personal data collected and analyzed concerning consumer health data or personal data that describes or reveals a past, present, or future mental or physical health condition, treatment, disability, or diagnosis, including pregnancy or menstrual cycle, to the extent the personal data is not used by the controller to identify a specific consumer's physical or mental health condition or diagnosis;

(H) is biometric or genetic data;

(I) is a photograph, film, video recording, or other similar medium that shows the naked or undergarment-clad private area of a consumer; or

(J) is precise geolocation data.

(49)(A) “Targeted advertising” means displaying an advertisement to a consumer where the advertisement is selected based on personal data obtained or inferred from that consumer’s activities over time and across nonaffiliated internet websites or online applications to predict the consumer’s preferences or interests.

(B) “Targeted advertising” does not include:

(i) an advertisement based on activities within a controller’s own websites or online applications;

(ii) an advertisement based on the context of a consumer’s current search query, visit to a website, or use of an online application;

(iii) an advertisement directed to a consumer in response to the consumer’s request for information or feedback; or

(iv) processing personal data solely to measure or report advertising frequency, performance, or reach.

(50) “Third party” means a person, such as a public authority, agency, or body, other than the consumer, controller, or processor or an affiliate of the processor or the controller.

(51) “Trade secret” has the same meaning as in section 4601 of this title.

(52) “Victim services organization” means a nonprofit organization that is established to provide services to victims or witnesses of child abuse, domestic violence, human trafficking, sexual assault, violent felony, or stalking.

Second: In Sec. 1, Vermont Data Privacy Act, in subdivision 2418(b)(3), by striking out “A parent or legal guardian may exercise rights under this section on behalf of the parent’s child or on behalf of a child for whom the guardian has legal responsibility.”

Third: In Sec. 1, Vermont Data Privacy Act, by striking out section 2420 in its entirety and inserting in lieu thereof a new section 2420 to read as follows:

§ 2420. DUTIES OF CONTROLLERS TO MINORS

(a) A minor who is a resident of Vermont shall have the same rights as provided to a consumer under subdivisions 2415(a)(1)–(5) of this title.

(b)(1) A minor who is a resident of Vermont may exercise the rights provided under subsection (a) of this section in the same manner as provided to a consumer under subsection 2415(b) of this title.

(2) A parent or legal guardian may exercise rights under this section on behalf of the parent’s child or on behalf of a child for whom the guardian has

legal responsibility. A guardian or conservator may exercise the rights under this section on behalf of a consumer that is subject to a guardianship, conservatorship, or other protective arrangement.

(c) Except as otherwise provided in this chapter, a controller shall comply with a request by a minor who is a resident of Vermont in the same manner as provided under subsection 2418(c) of this title and shall establish a process for appeal in the same manner as provided under subsection 2418(d) of this title.

(d) A controller shall not discriminate or retaliate against a known minor who is a resident of Vermont who exercises a right provided to the minor under this chapter, including by:

(A) denying goods or services;

(B) charging different prices or rates for goods or services; or

(C) providing a different level of quality or selection of goods or services to the minor.

(e) Subsection (d) of this section shall not be construed to:

(1) require a controller to provide a good or service that requires personal data from a minor that the controller does not collect or maintain; or

(2) prohibit a controller from offering a different price, rate, level of quality, or selection of goods or services to a minor, including an offer for no fee or charge, in connection with a minor's voluntary participation in a financial incentive program, such as a bona fide loyalty, rewards, premium features, discount, or club card program.

(f) A controller shall not process the personal data of a known minor for the purpose of targeted advertising.

Fourth: By striking out Sec. 4, effective dates, and inserting in lieu thereof a new Sec. 4 and one new section to be Sec. 5 to read as follows:

Sec. 4. 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)(A) "Affiliate" means a legal entity that shares common branding with another legal entity or controls, is controlled by, or is under common control with another legal entity.

(B) As used in subdivision (A) of this subdivision (1), "control" or "controlled" means:

(i) ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a company;

(ii) control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or

(iii) the power to exercise controlling influence over the management of a company.

(2) “Age-appropriate” means a recognition of the distinct needs and diversities of minor consumers at different age ranges. In order to help support the design of online services, products, and features, covered businesses 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) “Age estimation” means a process that estimates that a user is likely to be of a certain age, fall within an age range, or is over or under a certain age.

(A) Age estimation methods include:

(i) analysis of behavioral and environmental data the covered business already collects about its users;

(ii) comparing the way a user interacts with a device or with users of the same age;

(iii) metrics derived from motion analysis; and

(iv) testing a user’s capacity or knowledge.

(B) Age estimation does not require certainty, and if a covered business estimates a user’s age for the purpose of advertising or marketing, that estimation may also be used to comply with this act.

(4) “Age verification” means a system that relies on hard identifiers or verified sources of identification to confirm a user has reached a certain age, including government-issued identification or a credit card.

(5) “Business associate” has the same meaning as in HIPAA.

(6) “Collect” means buying, renting, gathering, obtaining, receiving, or accessing any personal data by any means. This includes receiving data from the consumer, either actively or passively, or by observing the consumer’s behavior.

(7)(A) “Consumer” means an individual who is a Vermont resident.

(B) “Consumer” does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit, or government agency whose communications or transactions with the covered business occur solely within the context of that individual’s role with the company, partnership, sole proprietorship, nonprofit, or government agency.

(8) “Consumer health data” means any personal data that a controller uses to identify a minor consumer’s physical or mental health condition or diagnosis, including gender-affirming health data and reproductive or sexual health data.

(9) “Covered business” means a sole proprietorship, partnership, limited liability company, corporation, association, other legal entity, or an affiliate thereof, that conducts business in this State or that produces online products, services, or features that are targeted to residents of this State and that:

(A) collects consumers’ personal data or has consumers’ personal data collected on its behalf by a third party;

(B) alone or jointly with others determines the purposes and means of the processing of consumers personal data; and

(C) alone or in combination annually buys, receives for commercial purposes, sells, or shares for commercial purposes, alone or in combination, the personal data of at least 50 percent of its consumers.

(10) “Covered entity” has the same meaning as in HIPAA.

(11) “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.”

(12) “Default” means a preselected option adopted by the covered business for the online service, product, or feature.

(13) “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 business 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 reidentify the data; and

(C) contractually obligates any recipients of the data to comply with all provisions of this subchapter.

(14) “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.

(15) “Gender-affirming health care services” has the same meaning as in 1 V.S.A. § 150.

(16) “Gender-affirming health data” means any personal data concerning a past, present, or future effort made by a minor consumer to seek, or a minor consumer’s receipt of, gender-affirming health care services, including:

(A) precise geolocation data that is used for determining a minor consumer’s attempt to acquire or receive gender-affirming health care services;

(B) efforts to research or obtain gender-affirming health care services; and

(C) any gender-affirming health data that is derived from nonhealth information.

(17) “Geofence” means any technology that uses global positioning coordinates, cell tower connectivity, cellular data, radio frequency identification, wireless fidelity technology data, or any other form of location detection, or any combination of such coordinates, connectivity, data, identification, or other form of location detection, to establish a virtual boundary.

(18) “Health care facility” has the same meaning as in 18 V.S.A. § 9432.

(19)(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.

(20) “Mental health facility” means any health care facility in which at least 70 percent of the health care services provided in the facility are mental health services.

(21)(A) “Minor consumer” means an individual under 18 years of age who is a Vermont resident.



(B) “Minor consumer” does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit, or government agency whose communications or transactions with the controller occur solely within the context of that individual’s role with the company, partnership, sole proprietorship, nonprofit, or government agency.

(22) “Online service, product, or feature” means a digital product that is accessible to the public via the internet, including a website or application, and 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 47 C.F.R. § 54.400; or

(C) the sale, delivery, or use of a physical product.

(23) “Personal data” means any information, including derived data and unique identifiers, that is linked or reasonably linkable, alone or in combination with other information, to an identified or identifiable individual or to a device that identifies, is linked to, or is reasonably linkable to one or more identified or identifiable individuals in a household. “Personal data” does not include deidentified data or publicly available information.

(24) “Process” or “processing” means 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.

(25) “Processor” means a person who processes personal data on behalf of a covered business.

(26) “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.

(27) “Publicly available information” means information that:

(A) is lawfully made available through federal, state, or local government records; or

(B) a covered business has a reasonable basis to believe that the consumer has lawfully made available to the general public through widely distributed media.

(28) “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 minor consumers two through under 18 years of age;

(C) the online service, product, or feature contains advertisements marketed to minor consumers;

(D) the audience of the online service, product, or feature is determined, based on internal company research, to be composed of at least two percent minor consumers two through under 18 years of age; or

(E) the covered business 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 business 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.

(29) “Reproductive or sexual health care” has the same meaning as “reproductive health care services” in 1 V.S.A. § 150(c)(1).

(30) “Reproductive or sexual health data” means any personal data concerning a past, present, or future effort made by a minor consumer to seek, or a consumer’s receipt of, reproductive or sexual health care.

(31) “Reproductive or sexual health facility” means any health care facility in which at least 70 percent of the health care-related services or products rendered or provided in the facility are reproductive or sexual health care.

(32) “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.

(33)(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; or

(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.

(34) "Third party" means a natural or legal person, public authority, agency, or body other than the consumer or the covered business.

#### § 2449b. EXCLUSIONS

This subchapter does not apply to:

(1) a federal, state, tribal, or local government entity in the ordinary course of its operation;

(2) protected health information that a covered entity or business associate processes in accordance with, or documents that a covered entity or business associate creates for the purpose of complying with, HIPAA;

(3) information used only for public health activities and purposes described in 45 C.F.R. § 164.512;

(4) information that identifies a consumer in connection with:

(A) activities that are subject to the Federal Policy for the Protection of Human Subjects as set forth in 45 C.F.R. Part 46;

(B) research on human subjects undertaken in accordance with good clinical practice guidelines issued by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use;

(C) activities that are subject to the protections provided in 21 C.F.R. Part 50 and 21 C.F.R. Part 56; or

(D) research conducted in accordance with the requirements set forth in subdivisions (A)–(C) of this subdivision (4) or otherwise in accordance with State or federal law; and

(5) an entity 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 business 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 business 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 BUSINESS OBLIGATIONS

(a) A covered business 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 and prominently;

(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 business;

(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 business 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 BUSINESS PROHIBITIONS

(a) A covered business that is reasonably likely to be accessed and 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 business 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 business 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 business 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;

(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; or

(11) use a geofence to establish a virtual boundary that is within 1,850 feet of any health care facility, including any mental health facility or reproductive or sexual health facility, for the purpose of identifying, tracking, collecting data from, or sending any notification to a minor consumer regarding the minor consumer's consumer health data.

(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 business 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 shall have the same authority under this subchapter to make rules, conduct civil investigations, bring civil actions, and enter into assurances of discontinuance as provided under chapter 63 of this title.

§ 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 business 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 shall 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.

## Sec. 5. EFFECTIVE DATES

(a) This section and Sec. 2 (AI and Data Privacy Advisory Council) shall take effect on July 1, 2024.

(b) Sec. 1 (Vermont Data Privacy Act), Sec. 3 (Protection of Personal Information), and Sec. 4 (Age-Appropriate Design Code) shall take effect on July 1, 2025.

Which was agreed to.

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

**Rules Suspended, Immediate Consideration; Proposal of Amendment;  
Third Reading Ordered; Rules Suspended; Bill Passed**

**H. 55.**

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

An act relating to miscellaneous unemployment insurance amendments.

Was taken up.

Senator Clarkson, for the Committee on Economic Development, Housing and General Affairs, to which the bill was referred reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Unemployment Insurance \* \* \*

Sec. 1. 21 V.S.A. § 1325 is amended to read:

§ 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;  
DISCLOSURE TO SUCCESSOR ENTITY

(a)(1) The Commissioner shall maintain an experience-rating record for each employer. Benefits paid shall be charged against the experience-rating record of each subject employer who provided base-period wages to the eligible individual. Each subject employer's experience-rating charge shall bear the same ratio to total benefits paid as the total base-period wages paid by that employer bear to the total base-period wages paid to the individual by all base-period employers. The experience-rating record of an individual subject base-period employer shall not be charged for benefits paid to an individual under any of the following conditions:

\* \* \*

(2) If an individual's unemployment is directly caused by a major disaster declared by the President of the United States pursuant to 42 U.S.C. § 5122 and the individual would have been eligible for federal disaster unemployment assistance benefits but for the receipt of regular benefits, an employer shall be relieved of charges for benefits paid to the individual with respect to any week of unemployment occurring due to the natural disaster up to a maximum amount of ~~four~~ 10 weeks.

\* \* \*

Sec. 2. 21 V.S.A. § 1347 is amended to read:

§ 1347. NONDISCLOSURE OR MISREPRESENTATION;  
OVERPAYMENTS; WAIVER

\* \* \*

(e) In addition to the foregoing, when ~~it is found by~~ the Commissioner finds that a person intentionally misrepresented or failed to disclose a material fact with respect to ~~his or her~~ the person's claim for benefits ~~and in the event the person is not prosecuted, the Commissioner may prosecute the person under section 1368 of this title and penalty provided in section 1373 of this title is not imposed, the person shall be disqualified and shall not be entitled to receive benefits to which he or she would otherwise be entitled after the determination for such number of weeks not exceeding 26 as the Commissioner shall deem just. The notice of determination shall also specify the period of disqualification imposed hereunder.~~



(f)(1) Notwithstanding any provision of subsection (a), (b), or (d) of this section to the contrary, the Commissioner may waive up to the full amount of any overpayment that is not a result of the person's intentional misrepresentation of or failure to disclose a material fact if:

(A) the overpayment occurs through no fault of the person; and

(B) recovery of the overpayment would be against equity and good conscience.

(2) A person may request a waiver of an overpayment at any time after receiving notice of a determination pursuant to subsection (a) or (b) of this section.

(3) Upon making a determination that an overpayment occurred pursuant to subsection (a) or (b) of this section, the Commissioner shall, to the extent possible and in consideration of the information available to the Department, determine whether waiver of the amount of overpaid benefits is appropriate.

(4) The Commissioner shall provide notice of the right to request a waiver of an overpayment with each determination that an overpayment has occurred. The notice shall include clear instructions regarding the circumstances under which a waiver may be granted and how a person may apply for a waiver.

(5) If the Commissioner denies an application for a waiver, the Commissioner shall provide written notice of:

(A) the denial with enough information to ensure that the person can understand the reason for the denial; and

(B) the person's right to appeal the determination pursuant to subsection (h) of this section.

(6)(A) A person whose request to waive an overpayment pursuant to this subsection has been denied pursuant to subdivision (5) of this subsection (f) and whose rights to appeal the denial pursuant to subsection (h) have been exhausted shall be permitted to submit an additional request to waive the overpayment if the person can demonstrate a material change in the person's circumstances such that recovery of the overpayment would be against equity and good conscience.

(B) The Commissioner may dismiss a request to waive an overpayment that is submitted pursuant to this subdivision (6) if the Commissioner finds that there is no material change in the person's circumstances such that recovery of the overpayment would be against equity

and good conscience. The Commissioner's determination pursuant to this subdivision (6) shall be final and shall not be subject to appeal.

(7) In the event that an overpayment is waived on appeal, the Commissioner shall, as soon as practicable, refund any amounts collected or withheld in relation to the overpayment pursuant to the provisions of this section.

(g) The provisions of subsection (f) of this section shall, to the extent permitted by federal law, apply to overpayments made in relation to any federal unemployment insurance benefits or similar federal benefits.

(h) Interested parties shall have the right to appeal from any determination under this section and the same procedure shall be followed as provided for in subsection 1348(a) and section 1349 of this title.

(i) The Commissioner shall not attempt to recover an overpayment or withhold any amounts of unemployment insurance benefits from a person:

(1) until after the Commissioner has made a final determination regarding whether an overpayment of benefits to the person occurred and the person's right to appeal the determination has been exhausted; or

(2) if the person filed an application for a waiver, until after the Commissioner has made an initial determination regarding the application.

(j)(1) The Commissioner shall provide any person who received an overpayment of benefits and is not currently receiving benefits pursuant to this chapter with the option of entering into a plan to repay the amount of the overpayment. The plan shall provide for reasonable weekly, biweekly, or monthly payments in an amount that permits the person to continue to afford the person's ordinary living expenses.

(2) The Commissioner shall permit a person to request a modification to a repayment plan created pursuant to this subsection if the person's ability to afford ordinary living expenses changes.

Sec. 3. 21 V.S.A. § 1347 is amended to read:

§ 1347. NONDISCLOSURE OR MISREPRESENTATION;  
OVERPAYMENTS; WAIVER

\* \* \*

(d) In any case in which under this section a person is liable to repay any amount to the Commissioner for the Fund, the Commissioner may withhold, ~~in whole or in part,~~ any future benefits payable to ~~such~~ the person, in amounts equal to not more than 50 percent of the person's weekly benefit amount, and credit ~~such~~ the withheld benefits against the amount due from ~~such~~ the person until it is repaid in full, less any penalties assessed under subsection (c) of this section.

\* \* \*

Sec. 4. WAIVER OF UI OVERPAYMENT; RULEMAKING

On or before November 1, 2024, the Employment Security Board shall commence rulemaking and file proposed rule amendments pursuant to 3 V.S.A. § 838 as necessary to implement the provisions of Sec. 2 of this act, amending 21 V.S.A. § 1347.

Sec. 5. 21 V.S.A. § 1368 is amended to read:

§ 1368. FALSE STATEMENTS TO INCREASE PAYMENTS

(a) A person ~~shall not willfully and~~ who intentionally make ~~make~~ makes a false statement or representation to obtain ~~or,~~ increase, or initiate any benefit or other payment under this chapter, ~~either for himself, herself, whether for themselves or any other person,~~ shall, after notice and an opportunity for a hearing, be:

(1) liable to repay the amount of overpaid benefits and any applicable penalty imposed pursuant to section 1347 of this chapter;

(2) assessed a further administrative penalty of up to \$5,000.00; and

(3) ineligible to receive benefits pursuant to this chapter for a period of up to five years from the date on which the false statement or representation was discovered.

(b) Interested parties shall have the right to appeal from any determination under this section and the same procedure shall be followed as provided for in subsection 1348(a) and section 1349 of this chapter.

(c) The Commissioner may collect an unpaid administrative penalty by filing a civil action in the Superior Court.

\* \* \* Unemployment Insurance Technical Corrections \* \* \*

Sec. 6. 21 V.S.A. § 1301 is amended to read:

§ 1301. DEFINITIONS

As used in this chapter:

\* \* \*

(3) “Contributions” means the money payments to the State Unemployment Compensation Trust Fund required by this chapter.

\* \* \*

(25) ~~“Son,” “daughter,” and “child” include~~ “Child” includes an individual’s biological child, foster child, adoptive child, stepchild, a child for whom the individual is listed as a parent on the child’s birth certificate, a legal ward of the individual, a child of the individual’s spouse, or a child that the individual has day-to-day responsibilities to care for and financially support.

\* \* \*

Sec. 7. 21 V.S.A. § 1321(d) is amended to read:

(d) ~~Financing benefits paid to employees of State.~~ In lieu of contributions required of employers subject to this chapter, the State of Vermont, including State hospitals but excluding any State institution of higher education, shall pay to the Commissioner, for the Unemployment Compensation Trust Fund, an amount equal to the amount of benefits paid, including the full amount of extended benefits paid, attributable to service by individuals in the employ of the State. At the end of each calendar quarter, or at the end of any other period as determined by the Commissioner, the Commissioner shall bill the State for the amount of benefits paid during ~~such~~ the quarter or other prescribed period that is attributable to service in the employ of the State. Subdivisions (c)(3)(C) through (3)(F), inclusive, and subdivisions (c)(5) and (6) of this section as they apply to nonprofit organizations shall also apply to the State of Vermont, except that the State shall be liable for all benefits paid, including the full amount of extended benefits paid, attributable to service in the employ of the State.

Sec. 8. 21 V.S.A. § 1361 is amended to read:

§ 1361. MANAGEMENT OF FUNDS UPON DISCONTINUANCE OF  
UNEMPLOYMENT TRUST FUND

The provisions of sections 1358–1360 of this ~~title~~ subchapter to the extent that they relate to the federal Unemployment Trust Fund, shall be operative only ~~so long as such~~ if the federal Unemployment Trust Fund continues to

exist and so long as the U.S. Secretary of the Treasury continues to maintain for this State a separate book account of all Funds deposited therein in the federal Unemployment Trust Fund by this State for benefit purposes, together with this State's proportionate share of the earnings of such the Unemployment Trust Fund, from which only the Commissioner of Labor is permitted to make withdrawals. If and when such Unemployment Trust Fund shall federal law no longer be required by the laws of the United States requires the federal Unemployment Trust Fund to be maintained as aforesaid as a condition of approval of this chapter as provided in Title III of the Social Security Act, then all monies, properties, or securities therein in the federal Unemployment Trust Fund, belonging to the Unemployment Compensation Trust Fund of this State, shall be transferred to the treasurer of the Unemployment Compensation Trust Fund, who shall hold, invest, transfer, sell, deposit, and release such the monies, properties, or securities in a manner approved by the Commissioner and appropriate for trust funds, subject to all claims for benefits under this chapter.

Sec. 9. 21 V.S.A. § 1362 is amended to read:

§ 1362. UNEMPLOYMENT COMPENSATION ADMINISTRATION  
FUND

~~There is hereby created the~~ The Unemployment Compensation Administration Fund is created to consist of all monies received by the State or by the Commissioner for the administration of this chapter. ~~This special fund~~ The Unemployment Compensation Administration Fund shall be a special fund managed pursuant to 32 V.S.A. chapter 7, subchapter 5. ~~The Unemployment Compensation Administration Fund shall be handled through the State Treasurer as other State monies are handled, but it shall be expended solely for the purposes and in the amounts found necessary by the Secretary of Labor for the proper and efficient administration of such this chapter and its balance shall not lapse at any time but shall remain continuously available to the Commissioner for expenditures consistent herewith with the provisions of this section.~~ All federal monies allotted or apportioned to the State by the Secretary of Labor, or other agency, for the administration of this chapter shall be paid into the Unemployment Compensation Administration Fund and are hereby appropriated to ~~such the Unemployment Compensation Administration Fund.~~

Sec. 10. 21 V.S.A. § 1365 is amended to read:

§ 1365. CONTINGENT FUND

(a) There is hereby created a special fund to be known as the Contingent Fund. All interest, fines, and penalties collected under the provisions of ~~the~~

~~unemployment compensation law after April 1, 1947~~ this chapter, together with any voluntary contributions tendered as a contribution to ~~this~~ the Contingent Fund, shall be paid into ~~this~~ the Contingent Fund. ~~Sueh~~ The monies shall not be expended or available for expenditures in any manner ~~which that~~ that would permit their substitution for, or a corresponding reduction in, federal funds ~~which that~~ that would in the absence of ~~sueh~~ the monies be available to finance expenditures for the administration of the unemployment compensation law.

(b) ~~But nothing~~ Nothing in this chapter shall prevent ~~sueh~~ the monies from being used as a revolving fund to cover expenditures, necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to the charging of ~~sueh~~ the expenditures against ~~sueh~~ the funds when received.

(c) The monies in ~~this~~ the Contingent Fund shall be used by the Commissioner for the payment of costs of administration ~~which that~~ that are found not to have been properly and validly chargeable against federal grants, or other funds, received for or in the Unemployment Compensation Administration Fund ~~on or after January 1, 1947~~. No expenditure of the Contingent Fund shall be made unless and until the Commissioner finds that no other funds are available or can properly be used to finance ~~sueh~~ the expenditures.

(d) The State Treasurer shall co-sign all expenditures from ~~this~~ the Contingent Fund authorized by the Commissioner.

(e) The monies in ~~this~~ the Contingent Fund are ~~hereby specifically made~~ available to replace, within a reasonable time, any monies received by this State pursuant to ~~section 302 of the federal Social Security Act, as amended,~~ which 42 U.S.C. § 502 ~~that~~ because of any action or contingency, have been lost or have been expended for purposes other than, or in amounts in excess of, those necessary for the proper administration of the unemployment compensation law.

(f) The monies in ~~this~~ the Contingent Fund shall be continuously available to the Commissioner for expenditure in accordance with the provisions of this section and shall not lapse at any time or be transferred to any other fund except as ~~herein~~ provided pursuant to this section.

(g) ~~Provided, however, that on~~ On December 31 of each year, all monies in excess of \$10,000.00 in ~~this~~ the Contingent Fund shall be transferred to the Unemployment Compensation Trust Fund. On or before March 31 of each year, an audit of ~~this~~ the Contingent Fund ~~will~~ shall be completed and a report of that audit ~~will~~ shall be made public.

(h) In the event that a refund of interest, a fine, or a penalty is found necessary, and ~~such~~ the interest, fine, or penalty has been deposited in the Contingent Fund, ~~such~~ the refund shall be made from the Contingent Fund.

\* \* \* Workers' Compensation \* \* \*

Sec. 11. 2023 Acts and Resolves No. 76, Sec. 38 is amended to read:

Sec. 38. ADOPTION OF RULES

The Commissioner of Labor shall, on or before July 1, 2024, adopt rules as necessary to implement the provisions of Secs. 29, 30, 31, 32, 33, 34, 35, 36, and ~~37, and 38~~ of this act.

Sec. 12. 21 V.S.A. § 601 is amended to read:

§ 601. DEFINITIONS

As used in this chapter:

\* \* \*

(11) "Personal injury by accident arising out of and in the course of employment" includes an injury caused by the willful act of a third person directed against an employee because of that employment.

\* \* \*

(I)(i) In the case of police officers, rescue or ambulance workers, ~~or~~ firefighters, ~~or~~ State employees, as that term is defined pursuant to subdivision (ii)(VI) of this subdivision (11)(I), post-traumatic stress disorder that is diagnosed by a mental health professional shall be presumed to have been incurred during service in the line of duty and shall be compensable, unless it is shown by a preponderance of the evidence that the post-traumatic stress disorder was caused by nonservice-connected risk factors or nonservice-connected exposure.

(ii) A police officer, rescue or ambulance worker, ~~or~~ firefighter, ~~or~~ State employee who is diagnosed with post-traumatic stress disorder within three years ~~of following~~ the last active date of employment as a police officer, rescue or ambulance worker, ~~or~~ firefighter, or State employee shall be eligible for benefits under this subdivision (11).

(iii) As used in this subdivision (11)(I):

(I) "Classified employee" means an employee in the classified service, as defined pursuant to 3 V.S.A. § 311.

(II) "Firefighter" means a firefighter as defined in 20 V.S.A. § 3151(3) and (4).

~~(H)~~(III) “Mental health professional” means a person with professional training, experience, and demonstrated competence in the treatment and diagnosis of mental conditions, who is certified or licensed to provide mental health care services and for whom diagnoses of mental conditions are within ~~his or her~~ the person’s scope of practice, including a physician, nurse with recognized psychiatric specialties, psychologist, clinical social worker, mental health counselor, or alcohol or drug abuse counselor.

~~(H)~~(IV) “Police officer” means a law enforcement officer who has been certified by the Vermont Criminal Justice Council pursuant to 20 V.S.A. chapter 151.

~~(H)~~(V) “Rescue or ambulance worker” means ambulance service, emergency medical personnel, first responder service, and volunteer personnel as defined in 24 V.S.A. § 2651.

(VI) “State employees” means:

(aa) facility employees of the Department of Corrections;

(bb) employees of the Department of Corrections who provide direct security or treatment services to offenders under supervision in the community;

(cc) classified employees of State-operated therapeutic community residences or inpatient psychiatric hospital units;

(dd) classified employees of public safety answering points;

(ee) classified employees of the Family Services Division of the Department for Children and Families;

(ff) classified employees of the Vermont Veterans’ Home;

(gg) classified employees of the Department of State’s Attorneys and Sheriffs, State’s Attorneys, and employees of the Department of State’s Attorneys and Sheriffs who are assigned to a State’s Attorney’s field office; and

(hh) classified employees in the Criminal Division of the Attorney General’s Office.

\* \* \*

### Sec. 13. SURVEY OF FIRE DEPARTMENTS; REPORT

(a) The Executive Director of the Division of Fire Safety shall conduct an annual survey of Vermont municipal fire departments and private volunteer fire departments during calendar years 2025, 2027, and 2029 regarding the



following information, to the extent such information is available to the departments:

- (1) the number of firefighters in the department;
- (2) the number of firefighters in the department who use tobacco products; and
- (3) for each firefighter in the department, the firefighter's:
  - (A) age;
  - (B) gender;
  - (C) position or rank in the department;
  - (D) if a professional firefighter, the date of hire, and if a volunteer firefighter, the date on which service in the department began;
  - (E) the period of employment or service with the department;
  - (F) if the firefighter's employment or service with the department terminated during the previous 24 months, the date on which the employment or service terminated;
  - (G) if a professional firefighter, the annual salary or hourly wage paid by the department;
  - (H) if a volunteer firefighter, the annual salary or hourly wage paid by the volunteer firefighter's regular employment; and
  - (I) the number of fires responded to during the previous 24 months.

(b)(1) Except as provided pursuant to subsection (c) of this section, all information obtained as part of the surveys conducted pursuant to subsection (a) of this section shall be kept confidential and shall be exempt from public inspection and copying under the Public Records Act.

(2) The reports prepared pursuant to subsection (c) of this section shall present the results of the surveys conducted pursuant to subsection (a) of this section in an aggregated and anonymized manner and shall not include personally identifying information for any firefighter.

(c) On or before December 15 of 2025, 2027, and 2029, the Executive Director shall report to the Commissioner of Financial Regulation, the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development regarding the results of the survey.

Sec. 14. FIREFIGHTERS' WORKERS' COMPENSATION CLAIMS FOR  
CANCER; ANNUAL REPORT

(a) The Commissioner of Financial Regulation shall, on or before February 1 of 2026, 2028, and 2030, report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development regarding:

(1) the number of workers' compensation claims for cancer that were submitted by Vermont firefighters in the previous 24 months;

(2) the number and percentage of those claims that were approved;

(3) the types of cancer for which the claims were submitted; and

(4) national trends with respect to workers' compensation claims for cancer submitted by firefighters during the previous 24 months, including, to the extent that information is available, the number of claims filed, the rate of claim approval, and, to the extent information is available, the types of cancer for which claims were submitted.

(b) All workers' compensation insurers doing business in Vermont shall report to the Commissioner of Financial Regulation, in a time and manner specified by the Commissioner:

(1) the number of workers' compensation claims for cancer that were received by the insurer from Vermont firefighters;

(2) the number of those claims that were approved; and

(3) the types of cancer for which the claims were submitted.

(c) The February 1, 2030 report required pursuant to subsection (a) of this section shall, in addition to setting forth the information required pursuant to subsection (a):

(1) aggregate and summarize the data required pursuant to subsection (a) for the preceding six years;

(2) compare the incidence of cancer among firefighters in Vermont to the incidence of cancer among firefighters nationally; and

(3) include a recommendation regarding any legislative action needed to better address the occurrence of cancer among firefighters in Vermont.

Sec. 15. DIVISION OF FIRE SAFETY; FIRE DEPARTMENTS;  
SUBSIDY FOR ANNUAL CANCER SCREENING

(a) The Division of Fire Safety shall subsidize the cost of providing cancer screening to Vermont professional and volunteer firefighters, as well as all enrollees in the Vermont Fire Academy Firefighter I program, during fiscal year 2025 to the extent that funds are appropriated for that purpose.

(b)(1) Cancer screening subsidized pursuant to this section shall consist of:

(A) a multi-cancer early detection blood test;

(B) an ultrasound of vital organs, including abdominal aorta, thyroid, liver, gallbladder, spleen, bladder, kidney, testicles for males, and exterior pelvis for females; and

(C) any additional screening that the Executive Director determines to be appropriate.

(2) The Executive Director shall determine the specific types of screening tests to subsidize pursuant to the provision of this section in consultation with appropriate licensed medical professionals.

(c) The Executive Director may utilize the funds appropriated pursuant to subsection (a) of this section to:

(1) provide grants to fire departments to subsidize the cost of cancer screening; or

(2) contract directly with one or more entities to provide cancer screening to fire departments at a discounted rate; or

(3) both.

\* \* \* Unpaid Medical Leave \* \* \*

Sec. 16. 21 V.S.A. § 471 is amended to read:

§ 471. DEFINITIONS

As used in this subchapter:

\* \* \*

(3) “Family leave” means a leave of absence from employment by an employee who works for an employer ~~which~~ that employs 15 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:

(A) the serious ~~illness~~ health condition of the employee; or

(B) the serious ~~illness~~ health condition of the employee’s child, stepchild or ward who lives with the employee, foster child, parent, spouse, or parent of the employee’s spouse.

(4) “Health care provider” means a licensed health care provider or a health care provider as defined pursuant to 29 C.F.R. § 825.125.

(5) “Parental leave” means a leave of absence from employment by an employee who works for an employer ~~which~~ that employs 10 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:

\* \* \*

~~(5)~~(6) “Serious illness health condition” means:

(A) an accident, illness, injury, disease, or physical or mental condition that:

(A)(i) poses imminent danger of death;

~~(B)~~(ii) requires inpatient care in a hospital, hospice, or residential medical care facility; or

~~(C)~~(iii) requires continuing in-home care under the direction of treatment by a physician health care provider; or

(B) rehabilitation from an accident, illness, injury, disease, or physical or mental condition described in subdivision (A) of this subdivision (6), including treatment for substance use disorder.

Sec. 17. 21 V.S.A. § 472 is amended to read:

§ 472. LEAVE

(a) During any 12-month period, an employee shall be entitled to take unpaid leave for a period not to exceed 12 weeks:

\* \* \*

(2) for family leave, for the serious ~~illness~~ health condition of the employee or the employee’s child, stepchild or ward of the employee who lives with the employee, foster child, parent, spouse, or parent of the employee’s spouse.

\* \* \*

~~(e)~~(1) An employee shall give reasonable written notice of intent to take leave under this subchapter. Notice shall include the date the leave is expected to commence and the estimated duration of the leave.

(2) In the case of the adoption or birth of a child, an employer shall not require that notice be given more than six weeks prior to the anticipated commencement of the leave.

(3) In the case of a serious ~~illness~~ health condition of the employee or a member of the employee’s family, an employer may require certification from a ~~physician~~ health care provider to verify the condition and the amount and necessity for the leave requested.

(4) An employee may return from leave earlier than estimated upon approval of the employer.

(5) An employee shall provide reasonable notice to the employer of ~~his or her~~ the need to extend leave to the extent provided by this ~~chapter~~ subchapter.

\* \* \*

(h) Except for serious ~~illness~~ health condition of the employee, an employee who does not return to employment with the employer who provided the leave shall return to the employer the value of any compensation paid to or on behalf of the employee during the leave, except payments for accrued sick leave or vacation leave.

\* \* \* Baby Bonds Trust Program \* \* \*

Sec. 18. 3 V.S.A. chapter 20 is added to read:

#### CHAPTER 20. VERMONT BABY BOND TRUST

##### § 601. DEFINITIONS

As used in this chapter:

(1) “Designated beneficiary” means an individual born on or after July 1, 2024 who was eligible at birth for coverage in the Dr. Dynasaur program established in accordance with Title XIX (Medicaid) and Title XXI (SCHIP) of the Social Security Act or for coverage available pursuant to 33 V.S.A. chapter 19, subchapter 9.

(2) “Eligible expenditure” means an expenditure associated with any of the following, each as prescribed by the Treasurer:

(A) education of a designated beneficiary;

(B) purchase of a dwelling unit or real property in Vermont by a designated beneficiary;

(C) investment in a business in Vermont by a designated beneficiary;

or

(D) investment or rollover in a qualified retirement account, Section 529 account, or Section 529A account established for the benefit of a designated beneficiary.

(3) “Trust” means the Vermont Baby Bond Trust established by this chapter.

##### § 602. VERMONT BABY BOND TRUST; ESTABLISHMENT

(a) There is established the Vermont Baby Bond Trust, to be administered by the Office of the State Treasurer. The Trust shall constitute an instrumentality of the State and shall perform essential governmental functions

as provided in this chapter. The Trust shall receive and hold until disbursed in accordance with section 607 of this title all payments, deposits, and contributions intended for the Trust; as well as gifts, bequests, and endowments; federal, State, and local grants; any other funds from any public or private source; and all earnings on these funds.

(b)(1) The amounts on deposit in the Trust shall not constitute property of the State, and the Trust shall not be construed to be a department, institution, or agency of the State. Amounts on deposit in the Trust shall not be commingled with State funds, and the State shall have no claim to or against, or interest in, the amounts on deposit in the Trust.

(2) Any contract entered into by, or any obligation of, the Trust shall not constitute a debt or obligation of the State, and the State shall have no obligation to any designated beneficiary or any other person on account of the Trust.

(3) All amounts obligated to be paid from the Trust shall be limited to the amounts available for that obligation on deposit in the Trust, and the availability of amounts for a class of designated beneficiaries does not constitute an assurance that amounts will be available to the same degree, or at all, to another class of designated beneficiaries. The amounts on deposit in the Trust shall only be disbursed in accordance with the provisions of section 607 of this title.

(4) The Trust shall continue in existence until it no longer holds any deposits or has any obligations and its existence is terminated by law. Upon termination, any unclaimed assets shall return to the State and shall be governed by the provisions of 27 V.S.A chapter 18.

(c) The Treasurer shall be responsible for receiving, maintaining, administering, investing, and disbursing amounts from the Trust. The Trust shall not receive deposits in any form other than cash.

#### § 603. TREASURER'S TRUST AUTHORITY

The Treasurer, on behalf of the Trust and for purposes of the Trust, may:

(1) receive and invest monies in the Trust in any instruments, obligations, securities, or property in accordance with section 604 of this title;

(2) enter into one or more contractual agreements, including contracts for legal, actuarial, accounting, custodial, advisory, management, administrative, advertising, marketing, or consulting services, for the Trust and pay for such services from the assets of the Trust;

(3) procure insurance in connection with the Trust's property, assets, activities, or deposits and pay for such insurance from the assets of the Trust;

(4) apply for, accept, and expend gifts, grants, and donations from public or private sources to enable the Trust to carry out its objectives;

(5) adopt rules pursuant to 3 V.S.A. chapter 25;

(6) sue and be sued;

(7) establish one or more funds within the Trust and expend reasonable amounts from the funds for internal costs of administration; and

(8) take any other action necessary to carry out the purposes of this chapter.

#### § 604. INVESTMENT OF FUNDS IN THE TRUST

The Treasurer shall invest the amounts on deposit in the Trust in a manner reasonable and appropriate to achieve the objectives of the Trust, exercising the discretion and care of a prudent person in similar circumstances with similar objectives. The Treasurer shall give due consideration to the rate of return, risk, term or maturity, and liquidity of any investment; diversification of the total portfolio of investments within the Trust; projected disbursements and expenditures; and the expected payments, deposits, contributions, and gifts to be received. The Treasurer shall not invest directly in obligations of the State or any political subdivision of the State or in any investment or other fund administered by the Treasurer. The assets of the Trust shall be continuously invested and reinvested in a manner consistent with the objectives of the Trust until disbursed for eligible expenditures or expended on expenses incurred by the operations of the Trust.

#### § 605. EXEMPTION FROM TAXATION

The property of the Trust and the earnings on the Trust shall be exempt from all taxation by the State or any political subdivision of the State.

#### § 606. MONIES INVESTED IN TRUST NOT CONSIDERED ASSETS OR INCOME

(a) Notwithstanding any provision of law to the contrary, and to the extent permitted by federal law, no sum of money invested in the Trust shall be considered to be an asset or income for purposes of determining an individual's eligibility for assistance under any program administered by the Agency of Human Services.

(b) Notwithstanding any provision of law to the contrary, no sum of money invested in the Trust shall be considered to be an asset for purposes of determining an individual's eligibility for need-based institutional aid grants offered to an individual by a public postsecondary school located in Vermont.

§ 607. ACCOUNTING FOR DESIGNATED BENEFICIARY; CLAIMS REQUIREMENTS

(a) The Treasurer shall establish in the Trust an accounting for each designated beneficiary in the amount of \$3,200.00. Each accounting shall include the initial amount of \$3,200.00, plus the designated beneficiary's pro rata share of total net earnings from investments of sums held in the Trust.

(b) A designated beneficiary shall become eligible to receive the total sum of the accounting under subsection (a) of this section upon the designated beneficiary's 18th birthday and completion of a financial coaching requirement as prescribed by the Treasurer. The sum shall only be used for eligible expenditures.

(c) The Treasurer shall create a financial coaching program and materials designed to educate designated beneficiaries and others about the permissible use of funds available under this chapter.

(d) A designated beneficiary, or the designated beneficiary's authorized representative in the case of a designated beneficiary unable to make a claim due to disability, may submit a claim for accounting until the designated beneficiary's 30th birthday, provided the designated beneficiary is a resident of the State at the time of the claim. If a designated beneficiary dies before submitting a valid claim or fails to submit a valid claim before the designated beneficiary's 30th birthday, the designated beneficiary's accounting shall be credited back to the assets of the Trust.

(e) The Treasurer shall adopt rules pursuant to 3 V.S.A. chapter 25 to carry out the purposes of this section, including prescribing the process for submitting a valid claim for accounting.

§ 608. DATA SHARING

In carrying out the purposes of this chapter, the Treasurer may enter into an intergovernmental agreement or memorandum of understanding with any agency or instrumentality of the State requiring disclosure to execute the purposes of this chapter to receive outreach, technical assistance, enforcement, and compliance services; collection or dissemination of information pertinent to the Trust, including protected health information and personal identification information, subject to such obligations of confidentiality as may be agreed to or required by law; or other services or assistance.

§ 609. IMPLEMENTATION; PILOT PROGRAM

The Treasurer's duty to implement this chapter is contingent upon publication by the Treasurer of an official statement that the Treasurer has received donations designated for purposes of implementation or



administration of the Trust in an amount sufficient to operate a pilot program. Upon publication, the Treasurer shall commence a pilot program implementing the Trust pursuant to the provisions of this chapter. The pilot program shall be used to evaluate the impact, effectiveness, and operational necessities of a permanent program consistent with this chapter.

Sec. 19. VERMONT BABY BOND TRUST; HOUSING OPPORTUNITIES;  
REPORT

(a) The Office of the State Treasurer, in consultation with interested stakeholders, shall evaluate the following issues and options under the Vermont Baby Bond Trust program established in 3 V.S.A. chapter 20:

(1) increasing housing opportunities in Vermont through investment of Trust funds, including:

(A) how the Treasurer may, consistent with the Treasurer's fiduciary obligations and subject to the provisions of 32 V.S.A. chapter 7, subchapter 2, invest the funds to advance housing opportunities in Vermont;

(B) the amount of funds that could be invested in this manner; and

(C) the anticipated impact of these investments on housing in Vermont;

(2) potential funding sources for the program;

(3) creating eligibility conditions for, and safeguards to protect, a beneficiary's investment in a business in Vermont;

(4) additional mechanisms to encourage beneficiaries to stay in Vermont, including:

(A) incentives to encourage beneficiaries to expend funds on education at in-State institutions; and

(B) the feasibility of limiting expenditures on education to in-State institutions while permitting waivers to access out-of-State institutions based on program availability and capacity;

(5) modifications to the financial coaching element of the program, including:

(A) ensuring a parent or caretaker of a beneficiary is made aware of the program at or around the time of the beneficiary's birth and offered a financial coaching program substantially similar to that offered beneficiaries;

(B) providing additional financial coaching opportunities for beneficiaries who delay withdrawing funds after meeting eligibility conditions;

(C) utilizing an advisory board to assist in developing the financial coaching element; and

(D) measures to expand financial coaching to all children living in Vermont;

(6) measures for achieving inflationary adjustment of the statutorily mandated accounting;

(7) whether additional needs-based programs administered by the State may be impacted by a beneficiary's entitlement to funds in the Trust;

(8) the feasibility of altering the program to permit unclaimed funds to roll over into a beneficiary's retirement account, including mechanisms for creating an account on behalf of a beneficiary and ensuring funds in the account are not accessible until the beneficiary reaches retirement age; and

(9) any other issues relating to the Vermont Baby Bond Trust investments that the Treasurer identifies as warranting study.

(b) On or before January 15, 2025, the Office of the State Treasurer shall submit a written report to the General Assembly with its findings and any recommendations for legislative action.

\* \* \* Effective Dates \* \* \*

#### Sec. 20. EFFECTIVE DATES

(a) This section and Sec. 11 (workers' compensation rulemaking technical corrections) shall take effect on passage.

(b) Sec. 3 (amending 21 V.S.A. § 1347(d)) shall take effect upon the earlier of July 1, 2026 or the implementation of the Department of Labor's updated unemployment insurance information technology system.

(c) The remaining sections shall take effect on July 1, 2024.

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

“An act relating to miscellaneous unemployment insurance, workers' compensation, and employment practices amendments and to establishing the Vermont Baby Bond Trust.”

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 that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs with the following amendment thereto:

By striking out Sec. 20, effective dates, and its reader assistance heading in their entireties and inserting in lieu thereof two new sections and their reader assistance headings to read as follows:

\* \* \* Extension of Vermont Employment Growth Incentive Program \* \* \*

Sec. 20. 2016 Acts and Resolves No. 157, Sec. H.12, as amended by 2022 Acts and Resolves No. 164, Sec. 5 and 2023 Acts and Resolves No. 72, Sec. 39, is further amended to read:

Sec. H.12. VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES

Notwithstanding any provision of law to the contrary, the Vermont Economic Progress Council shall not accept or approve an application for a Vermont Employment Growth Incentive under 32 V.S.A. chapter 105, subchapter 2 on or after ~~January 1, 2025~~ January 1, 2027.

\* \* \* Effective Dates \* \* \*

Sec. 21. EFFECTIVE DATES

(a) This section and Sec. 11 (workers' compensation rulemaking technical corrections) shall take effect on passage.

(b) Sec. 3 (amending 21 V.S.A. § 1347(d)) shall take effect upon the earlier of July 1, 2026 or the implementation of the Department of Labor's updated unemployment insurance information technology system.

(c) The remaining sections shall take effect on July 1, 2024.

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

“An act relating to miscellaneous unemployment insurance, workers' compensation, and employment practices amendments, to establishing the Vermont Baby Bond Trust, and to the Vermont Employment Growth Incentive.”

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

#### **The President *pro tempore* Assumes the Chair**

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

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

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

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

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

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

### **The President Resumes the Chair**

#### **Rules Suspended, Immediate Consideration; Proposal of Amendment; Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence with Proposal of Amendment**

#### **H. 585.**

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

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

Was taken up.

Senator Hardy, for the Committee on Government Operations, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Pension System for Sheriff and Deputy Sheriffs \* \* \*

Sec. 1. 3 V.S.A. § 455 is amended to read:

§ 455. DEFINITIONS

(a) As used in this subchapter:

\* \* \*

(11) “Member” means any employee included in the membership of the Retirement System under section 457 of this title.

\* \* \*

(F) “Group G member” means:

(i) the following employees who are first employed in the positions listed in this subdivision (F)(i) on or after July 1, 2023, or who are members of the System as of June 30, 2022 and make an irrevocable election

to prospectively join Group G on or before June 30, 2023, pursuant to the terms set by the Board: facility employees of the Department of Corrections, as Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, as employees of a facility for justice-involved youth, ~~or as~~ and employees of the Vermont State Psychiatric Care Hospital employees or as employees of its successor in interest, who provide direct patient care; and

(ii) the following employees who are first employed in the positions listed in this subdivision (F)(ii) or first included in the membership of the System on or after January 1, 2025, or who are members of the System as of December 31, 2024 and make an irrevocable election to join Group G on or before December 31, 2024, pursuant to the terms set by the Board:

(I) all sheriffs; and

(II) deputy sheriffs who:

(aa) are employed by county sheriff's departments that participate in the Vermont Employees' Retirement System;

(bb) have attained Level II or Level III law enforcement officer certification from the Vermont Criminal Justice Council;

(cc) are required to perform law enforcement duties as the primary function of their employment; and

(dd) are not full-time deputy sheriffs compensated by the State of Vermont whose primary function is transports as defined in 24 V.S.A. § 290(b) and eligible for Group C pursuant to 3 V.S.A. § 455(9)(B).

\* \* \*

(13) "Normal retirement date" means:

\* \* \*

(E) with respect to a Group G member:

(i) for facility employees of the Department of Corrections, Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, employees of a facility for justice-involved youth, or employees of the Vermont State Psychiatric Care Hospital or its predecessor or successor in interest, who provide direct patient care, who were first included in the membership of the System on or before June 30, 2008, who were employed as of June 30, 2022, and who made an irrevocable election to prospectively join Group G on or before July 1, 2023, pursuant to the terms set by the Board, the first day of the calendar month next following the earlier of:

(I) 62 years of age and following completion of five years of creditable service;

(II) completion of 30 years of creditable service; or

(III) 55 years of age and following completion of 20 years of creditable service; ~~or~~

(ii) for facility employees of the Department of Corrections, Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, as employees of a facility for justice-involved youth, or employees of the Vermont State Psychiatric Care Hospital or its predecessor or successor in interest, who provide direct patient care, who were first included in the membership of the System on or after July 1, 2008, who were employed as of June 30, 2022, and who made an irrevocable election to prospectively join Group G on or before July 1, 2023, pursuant to the terms set by the Board, the first day of the calendar month next following the earlier of:

(I) 65 years of age and following completion of five years of creditable service;

(II) attainment of 87 points reflecting a combination of the age of the member and number of years of service; or

(III) 55 years of age and following completion of 20 years of creditable service; ~~or~~

(iii) for facility employees of the Department of Corrections, Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, employees of a facility for justice-involved youth, or employees of the Vermont State Psychiatric Care Hospital or its predecessor or successor in interest, who provide direct patient care, who first become a Group G member on or after July 1, 2023, the first day of the calendar month next following the earlier of:

(I) attainment of 55 years of age and following completion of 20 years of creditable service; or

(II) 65 years of age and following completion of five years of creditable service;

(iv) for all sheriffs and those deputy sheriffs who meet the requirements pursuant to subdivision (11)(F)(ii) of this subsection (a), who were first included in the membership of the System on or before June 30, 2008, who were employed as of December 31, 2024, and who made an irrevocable election to prospectively join Group G on or before January 1,

2025, pursuant to the terms set by the Board, the first day of the calendar month next following the earlier of:

(I) 62 years of age and following completion of five years of creditable service;

(II) completion of 30 years of creditable service; or

(III) 55 years of age and following completion of 20 years of creditable service;

(v) for all sheriffs and those deputy sheriffs who meet the requirements pursuant to subdivision (11)(F)(ii) of this subsection (a), who were first included in the membership of the System on or after July 1, 2008, who were employed as of December 31, 2024, and who made an irrevocable election to prospectively join Group G on or before January 1, 2025, pursuant to the terms set by the Board, the first day of the calendar month next following the earlier of:

(I) 65 years of age and following completion of five years of creditable service;

(II) attainment of 87 points reflecting a combination of the age of the member and number of years of service; or

(III) 55 years of age and following completion of 20 years of creditable service; or

(vi) for all sheriffs and those deputy sheriffs who meet the requirements pursuant to subdivision (11)(F)(ii) of this subsection (a), who first become a Group G member after January 1, 2025, the first day of the calendar month next following the earlier of:

(I) attainment of 55 years of age and following completion of 20 years of creditable service; or

(II) 65 years of age and following completion of five years of creditable service.

\* \* \*

Sec. 2. 3 V.S.A. § 459 is amended to read:

§ 459. NORMAL AND EARLY RETIREMENT

\* \* \*

(b) Normal retirement allowance.

\* \* \*

(6)(A) Upon normal retirement pursuant to subdivisions 455(a)(13)(E)(i) ~~and, (iii), (iv), and (vi)~~ of this chapter, a Group G member shall receive a normal retirement allowance equal to two and one-half of a percent of the member's average final compensation times years of membership service in Group G. The maximum retirement allowance shall be 50 percent of average final compensation.

(B) Upon normal retirement pursuant to ~~subdivision~~ subdivisions 455(a)(13)(E)(ii) and (v) of this chapter, a Group G member shall receive a normal retirement allowance equal to two and one-half of a percent of the member's average final compensation times years of membership service in Group G. The maximum retirement allowance shall be 60 percent of average final compensation.

\* \* \*

(d) Early retirement allowance.

\* \* \*

(4)(A) Upon early retirement, a Group G member who was previously a Group F member first included in the membership of the System on or before June 30, 2008, and who elected to transfer into Group G ~~on July 1, 2023~~ pursuant to the terms set by the Board, shall receive an early retirement allowance that shall be equal to the normal retirement allowance reduced by the lesser of (i) one-half of one percent for each month equal to the difference between the 240 months and the member's months of creditable service, or (ii) an amount that shall be the actuarial equivalent of the normal retirement allowance computed under subsection (b) of this section.

(B) Upon early retirement, a Group G member who was previously a Group F member first included in the membership of the System on or after July 1, 2008, and who elected to transfer into Group G ~~on July 1, 2023~~ pursuant to the terms set by the Board, shall receive an early retirement allowance that shall be equal to the normal retirement allowance reduced by the lesser of (i) five-ninths of one percent for each month equal to the difference between the 240 months and the member's months of creditable service, or (ii) an amount that shall be the actuarial equivalent of the normal retirement allowance computed under subsection (b) of this section.

\* \* \*

Sec. 3. 3 V.S.A. § 489 is amended to read:

§ 489. BENEFITS

Persons who become members of the Vermont State Retirement System under this subchapter and on behalf of whom contributions are paid as



provided in this subchapter shall be entitled to benefits under the Vermont State Retirement System as though they were employees of the State of Vermont. These employees shall be considered “Group F members” as defined in subdivision 455(a)(11)(E) of this title, except that:

(1) elected municipal employees shall not be subject to mandatory retirement requirements; and

(2) sheriffs and those deputy sheriffs who meet the requirements pursuant to subdivision 455(a)(11)(F)(ii) of this chapter shall be considered members of Group G.

#### Sec. 4. ONE-TIME IRREVOCABLE ELECTION FOR SHERIFFS AND CERTAIN DEPUTY SHERIFFS

(a) Subject to the restrictions set forth in subdivision (c)(1) of this section, on or before September 1, 2024, the Department of State’s Attorneys and Sheriffs, in consultation with the Department of Human Resources and the Office of the State Treasurer, shall establish a list of positions newly eligible for Group G of the Vermont State Employees’ Retirement System, which shall be limited to the following:

(1) all sheriffs; and

(2) deputy sheriffs who:

(A) are employed by county sheriff’s departments that participate in the Vermont State Employees’ Retirement System;

(B) have a Level II or Level III law enforcement officer certification from the Vermont Criminal Justice Council;

(C) are required to perform law enforcement duties as the primary function of their employment; and

(D) are not full-time deputy sheriffs compensated by the State of Vermont whose primary function is transports as defined in 24 V.S.A. § 290(b) and eligible for Group C pursuant to 3 V.S.A. § 455(9)(B).

(b) In establishing any new deputy sheriff position on and after January 1, 2025, the Department of State’s Attorneys and Sheriffs, in consultation with sheriff’s departments, shall identify that position as eligible for either Group C membership or Group G membership pursuant to the criteria as set forth in subsection (a) of this section.

(c)(1) A sheriff or deputy sheriff who qualifies for Group G membership pursuant to this act and that has a current Level II or Level III law enforcement officer certification from the Vermont Criminal Justice Council shall have a one-time option to transfer to Group G on or before December 1, 2024.

Sheriffs and deputy sheriffs without a current Level II or Level III law enforcement officer certification from the Vermont Criminal Justice Council shall not be eligible to transfer to Group G. For a sheriff or deputy sheriff who qualifies for Group G membership who is first employed on or after December 1, 2024 but before January 1, 2025, election to join Group G under this subsection shall be made as soon as possible but shall be within 30 days from the employee's date of hire.

(2) Election to join the Group G plan under this subsection shall be irrevocable.

(d) The effective date of participation in a new group plan for those employees covered under this section and who elect to transfer to Group G shall be January 1, 2025. All past service accrued through the date of transfer shall be calculated based upon the plan in which it was accrued, with all provisions and penalties, if applicable, applied.

(e) The Department of State's Attorneys and Sheriffs shall notify the Office of the State Treasurer of changes in a deputy sheriff's eligibility for Group G within 30 days of the change in eligibility, pursuant to 3 V.S.A. § 455(11)(F)(ii)(II).

(f) Nothing in this section shall be read to extend postretirement health or other insurance benefits to Group G deputy sheriffs who work for county sheriff's departments.

\* \* \* Sheriff Compensation \* \* \*

#### Sec. 5. LEGISLATIVE INTENT; SHERIFF COMPENSATION

It is the intent of the General Assembly that a sheriff's compensation shall correlate with the sheriff's level of law enforcement officer certification to properly reflect a sheriff's capability to perform the various duties required to effectively and efficiently manage a law enforcement agency that is the office of sheriff.

Sec. 6. 32 V.S.A. § 1182 is amended to read:

#### § 1182. SHERIFFS

(a) The sheriffs of all counties except Chittenden shall be entitled to receive salaries in the amount of ~~\$94,085.00~~ \$104,010.00 as of ~~July 3, 2022~~ July 14, 2024 and ~~\$97,754.00~~ \$109,627.00 as of ~~July 2, 2023~~ July 13, 2025. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~\$99,566.00~~ \$110,070.00 as of ~~July 3, 2022~~ July 14, 2024 and ~~\$103,449.00~~ \$116,014.00 as of ~~July 2, 2023~~ July 13, 2025.

(b) Compensation under subsection (a) of this section shall be reduced by 10 percent for any sheriff who has Level II but not obtained Level III law enforcement officer certification under 20 V.S.A. § 2358.

(c) Compensation under subsection (a) of this section shall be reduced by 20 percent for any sheriff who has Level I but not obtained Level II law enforcement officer certification under 20 V.S.A. § 2358.

(d) Compensation under subsection (a) of this section shall be reduced by 30 percent for any sheriff who does not possess a law enforcement officer certification under 20 V.S.A. § 2358.

\* \* \* State's Attorneys' Offices Operations Report \* \* \*

#### Sec. 7. STATE'S ATTORNEYS' OFFICES OPERATIONS REPORT

On or before January 15, 2025, the Department of State's Attorney and Sheriffs shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations with:

(1) an analysis of current funding sources and procedures for compensating State's Attorneys as well as maintaining State's Attorneys' offices' operations, including existing or needed procedures for reducing compensation for State's Attorneys who have their attorney license temporarily suspended or terminated;

(2) an analysis of State's Attorneys' duties and the average proportions of time spent on duties requiring an attorney license versus duties not requiring an attorney license; and

(3) recommendations for levels of compensation reduction for State's Attorneys who have their attorney license temporarily suspended or terminated so that the compensation better reflects the individual's capability to perform the various duties required to effectively and efficiently manage a law office that is the office of State's Attorney.

#### Sec. 8. 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.

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 Government Operations.

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

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

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

#### **Rules Suspended; Action Messaged**

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

**S. 191, S. 213.**

#### **Rules Suspended; Bills Messaged**

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

**S. 310, H. 55, H. 121, H. 585, H. 862, H. 869, H. 872, H. 887.**

#### **Rules Suspended; Bill Referred**

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

**H. 626.** An act relating to animal welfare.

was referred to the Committee on Appropriations pursuant to Rule 31.

#### **Adjournment**

On motion of Senator Baruth, the Senate adjourned until ten o'clock in the forenoon on Thursday, May 9, 2024.

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#### **THURSDAY, MAY 9, 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. 71**

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

And has concurred therein.

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill 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 concurred therein.

The House has considered bills originating in the Senate of the following titles:

**S. 55.** An act relating to authorizing public bodies to meet electronically under Vermont's Open Meeting Law.

**S. 102.** An act relating to expanding employment protections and collective bargaining rights.

**S. 220.** An act relating to Vermont's public libraries.

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

The Governor has informed the House that on May 7, 2024, he approved and signed bills originating in the House of the following titles:

**H. 40.** An act relating to nonconsensual removal of or tampering with a condom.

**H. 664.** An act relating to designating a State Mushroom.

**H. 694.** An act relating to sexual exploitation.

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

**S. 204.** An act relating to supporting Vermont's young readers through evidence-based literacy instruction.

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

Rep. Brady of Williston  
Rep. Brown of Richmond  
Rep. Taylor of Milton.

**Rules Suspended; Bill Not Referred to Committee on Appropriations**

**H. 878**

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

An act relating to miscellaneous judiciary procedures.

*Not* be referred to the Committee on Appropriations pursuant to Senate Rule 31, which was agreed to.

**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. 612.** An act relating to miscellaneous cannabis amendments.

**H. 645.** An act relating to the expansion of approaches to restorative justice.

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

**H. 630.** An act relating to boards of cooperative education services.

**H. 657.** An act relating to the modernization of Vermont's communications taxes and fees.

**H. 704.** An act relating to disclosure of compensation in job advertisements.

**Proposal of Amendment; Joint Resolution Adopted**

**J.R.S. 44.**

Joint Senate resolution entitled:

Joint resolution declaring the increasing number of drug overdose deaths in Vermont to be a public health emergency.

Was taken up.

Thereupon, pending third reading of the resolution, Senators Gulick, Hardy, Lyons, Weeks and Williams moved to amend the joint resolution by striking out all of the Whereas and Resolved clauses and inserting in lieu thereof the following:

*Whereas*, the continuing and expanding use of opioid-related drugs in Vermont, regardless of their source, has led to an increasingly severe 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 reveal the severity of the situation, and

*Whereas*, the number of Vermonters who have perished due to opioid-related drug overdoses grew from 37 in 2010 to 212 in the first 11 months of 2023 (excluding those deaths deemed to have been 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 94.8 percent of the opioid-related drug overdose deaths recorded in Vermont for the first 11 months of 2023, and

*Whereas*, other opioid-related drugs contributing to overdose deaths in this time period included cocaine (58.4 percent); heroin (3.7 percent); gabapentin (10.8 percent); methamphetamine (5.6 percent); and xylazine, which the FDA has only approved for veterinary use, (32.07 percent), and

*Whereas*, this rise in the number of opioid-related drug overdose deaths is occurring despite the existence of extensive State and federally funded treatment services; and these services are clearly insufficient for reaching all individuals experiencing a substance use disorder, and

*Whereas*, 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*, in the most recent social autopsy, the Department recorded that 41 percent of overdose victims died alone, and

*Whereas*, the severe problems associated with opioid-use disorder in Vermont, which also exist nationally, show no signs of abating, and the implementation of more effective solutions is an urgent State imperative, *now therefore be it*

***Resolved by the Senate and House of Representatives:***

That the General Assembly declares that the increasing number of opioid-related drug overdose deaths in Vermont constitutes 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, to Commissioner of Health Dr. Mark Levine, to Chief Prevention Officer Monica Hutt, and to the Vermont Congressional Delegation.

And after passage the title of the joint resolution should be amended to read:

“Joint resolution declaring that the increasing number of opioid-related drug overdose deaths in Vermont constitutes a public health emergency.”

Which was agreed to.

Thereupon, the resolution was read the third time and adopted.

#### **Message from the House No. 72**

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 proposal of amendment to Senate bill entitled:

**S. 58.** An act relating to public safety.

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. LaLonde of South Burlington  
Rep. Andriano of Orwell  
Rep. Burditt of West Rutland.

#### **House Proposals of Amendment Concurred In**

##### **S. 98.**

House proposal of amendment to Senate bill entitled:

An act relating to Green Mountain Care Board authority over prescription drug costs.

Was taken up.



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

First: In Sec. 1, Green Mountain Care Board; prescription drug cost regulation program; implementation plan, in subsection (a), by striking out subdivisions (5) and (6) in their entirety and inserting in lieu thereof the following:

(5) the likely return on investment of the most promising program options;

(6) the potential impacts on Vermonters' access to medications; and

(7) the impact of implementing a program to regulate the costs of prescription drugs on other State agencies and on the private sector.

Second: By striking out Sec. 4, effective date, in its entirety and inserting in lieu thereof the following:

Sec. 4. 18 V.S.A. chapter 220 is amended to read:

CHAPTER 220. GREEN MOUNTAIN CARE BOARD

\* \* \*

§ 9374. BOARD MEMBERSHIP; AUTHORITY

\* \* \*

(b)(1) ~~The initial term of each member of the Board, including the Chair, shall be seven years, and the term of the Chair shall be six years thereafter.~~

(2) ~~The term of each member other than the Chair shall be six years, except that of the members first appointed, one each shall serve a term of three years, four years, five years, and six years. Any appointment to fill a vacancy shall be for the unexpired portion of the term vacated.~~

(3) ~~Subject to the nomination and appointment process, a A member may serve more than one term. A member may be reappointed to additional terms subject to the requirements of section 9391 of this title.~~

\* \* \*

§ 9390. GREEN MOUNTAIN CARE BOARD NOMINATING COMMITTEE CREATED; COMPOSITION

\* \* \*

(f) ~~The Board is authorized to use the staff and services of appropriate State agencies and departments as necessary to conduct investigations of applicants. The Committee shall have the administrative, technical, and legal assistance of the Department of Human Resources.~~

## § 9391. NOMINATION AND APPOINTMENT PROCESS

(a) ~~Whenever~~ Candidate selection process.

(1) Unless a vacancy is filled by reappointment by the Governor pursuant to subsection (c) of this section, not later than 90 days prior to a known vacancy occurs occurring on the Green Mountain Care Board, or when an incumbent does not declare that he or she will be a candidate to succeed himself or herself, the Green Mountain Care Board Nominating Committee shall commence its nomination application process. The Committee shall select for consideration by the Committee, by majority vote, and provided that a quorum is present, from the applications for membership on the Green Mountain Care Board as many candidates as it deems qualified for the position or positions to be filled. The Committee shall base its determinations on the qualifications set forth in section 9392 of this section title.

(2) A Board member who is resigning from the Board prior to the expiration of the member's term shall notify the Committee Chair, the Governor, and the Department of Human Resources of the member's anticipated resignation date. Once notified, the Committee Chair shall commence the nomination application process as soon as is practicable in light of the anticipated resignation date.

(b) Nomination list. The Committee shall submit to the Governor the names of the ~~persons~~ individuals it deems qualified to be appointed to fill the position or positions and the name of any incumbent member who was not reappointed pursuant to subsection (c) of this section and who declares notifies the Committee Chair, the Governor, and the Department of Human Resources that he or she the incumbent wishes to be a candidate to succeed himself or herself nominated. An incumbent shall not be required to submit an application for nomination and appointment to the Committee under subsection (a) of this section, but the Committee may request that the incumbent update relevant information as necessary.

(c) Reappointment; notification.

(1) Not later than 120 days prior to the end of a Board member's term, the member shall notify the Governor that the member either is seeking to be reappointed by the Governor for another term or that the member does not wish to be reappointed.

(2) If a Board member who is seeking reappointment is not reappointed by the Governor on or before 30 days after notifying the Governor, the member's term shall end on the expiration date of the member's current term, unless the member is nominated as provided in subsection (b) of this section and subsequently appointed, or as otherwise provided by law.

(3) A Board member's reappointment shall be subject to the consent of the Senate.

(d) The Appointment; Senate consent. Unless the Governor reappointed a Board member pursuant to subsection (c) of this section, the Governor shall make an appointment to the Green Mountain Care Board from the list of qualified candidates submitted pursuant to subsection (b) of this section not later than 45 days after receipt of the candidate list. The appointment shall be subject to the consent of the Senate. The names of candidates submitted and not selected shall remain confidential.

(d)(e) Confidentiality. All proceedings of the Committee, including the names of candidates considered by the Committee and information about any candidate submitted by any source, shall be confidential.

#### Sec. 5. EFFECTIVE DATES

(a) Sec. 4 (18 V.S.A. chapter 220; Green Mountain Care Board nomination and appointment process) and this section shall take effect on passage. Notwithstanding any provision of 18 V.S.A. chapter 220, as amended by this act, to the contrary, the Green Mountain Care Board Nominating Committee, in consultation with the Green Mountain Care Board, the Department of Human Resources, and the Governor, may establish alternative timing requirements for applications, appointments, and reappointments to the Board for Board vacancies anticipated to occur or otherwise occurring on or before December 31, 2024 if the timelines established in 18 V.S.A. chapter 220, as amended by this act, would be impractical or impossible to meet.

(b) The remaining sections shall take effect on July 1, 2024.

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

“An act relating to Green Mountain Care Board authority over prescription drug costs and the Green Mountain Care Board nomination and appointment process.”

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

#### **Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence**

#### **H. 279.**

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

An act relating to the Uniform Trust Decanting Act.

Reported that the bill ought to pass in concurrence.

Senator Chittenden, for the Committee on Finance, reported that the bill ought to pass in concurrence.

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

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

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

**Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence**

**H. 503.**

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

An act relating to approval of amendments to the charter of the Town of St. Johnsbury.

Reported that the bill ought to pass in concurrence.

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

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

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

**Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence**

**H. 881.**

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

An act relating to approval of an amendment to the charter of the City of Burlington.

Reported that the bill ought to pass in concurrence.

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

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

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

**Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence****H. 886.**

Senator Norris, 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 South Burlington.

Reported that the bill ought to pass in concurrence.

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

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

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

**Proposal of Amendment; Third Reading Ordered; Rules Suspended; Bill Passed In Concurrence with Proposal of Amendment****H. 780.**

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

An act relating to judicial nominations and appointments.

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. LEGISLATIVE INTENT**

It is the intent of the General Assembly that if the Executive Director of Racial Equity designates another person to serve on the Judicial Nominating Board pursuant to 4 V.S.A. § 601(b)(1)(E), the person designated shall be an employee of the Agency of Administration who has experience with diversity, equity, and inclusion issues.

Sec. 2. 4 V.S.A. § 601 is amended to read:

**§ 601. JUDICIAL NOMINATING BOARD CREATED; COMPOSITION**

(a) The Judicial Nominating Board is created for the nomination of Supreme Court Justices, Superior judges, magistrates, and the Chair and members of the Public Utility Commission.

(b)(1) The Board shall consist of ~~14~~ 12 members who shall be selected as follows:

~~(1)(A)~~ The Governor shall appoint two members ~~who are not attorneys~~, one of whom may be an attorney at law.

~~(2)(B)~~ The Senate shall elect three of its members, not all of whom shall be members of the same party, and only one of whom may be an attorney at law.

~~(3)(C)~~ The House shall elect three of its members, not all of whom shall be members of the same party, and only one of whom may be an attorney at law.

~~(4)(D)~~ Attorneys at law admitted to practice before the Supreme Court of Vermont, and residing in the State, shall elect three of their number as members of the Board. The Supreme Court shall regulate the manner of their nomination and election.

(E) The Executive Director of Racial Equity, or designee.

~~(5)(2)~~ The members of the Board shall serve for terms of two years. All appointments or elections shall be between January 1 and February 1 of each odd-numbered year, except to fill a vacancy. A House vacancy that occurs when the General Assembly is adjourned shall be filled by the Speaker of the House and a Senate vacancy that occurs when the General Assembly is adjourned shall be filled by the Senate Committee on Committees. Members shall serve until their successors are elected or appointed. Members shall serve ~~no~~ not more than three consecutive terms in any capacity.

~~(6)(3)~~ The members shall elect their own chair, who will serve for a term of two years.

\* \* \*

Sec. 3. 4 V.S.A. § 602 is amended to read:

§ 602. DUTIES; JUSTICES, JUDGES, MAGISTRATES, AND THE CHAIR OF THE PUBLIC UTILITY COMMISSION

(a)(1) Prior to submitting to the Governor the names of candidates for Justices of the Supreme Court, Superior Court judges, magistrates, and the Chair of the Public Utility Commission, the Judicial Nominating Board shall submit to the Court Administrator a list of all candidates, and ~~he or she~~ the Court Administrator shall disclose to the Board information solely about professional disciplinary action taken or pending concerning any candidate.

(2) From the list of candidates, the Judicial Nominating Board shall select by three-fourths majority vote, provided that a quorum is present, well-qualified candidates for the position to be filled.

(b) Whenever a vacancy occurs in the office of a Supreme Court Justice, a Superior Court judge, magistrate, or Chair of the Public Utility Commission, or when an incumbent does not declare that ~~he or she~~ the incumbent will be a candidate to succeed ~~himself or herself themselves~~, the Board shall submit to the Governor the names of as many persons as it deems well qualified to be appointed to the office.

(c)(1) A candidate for judge or Justice shall be a Vermont resident and an experienced lawyer who has practiced law ~~in Vermont~~ for a minimum of ~~ten~~ 10 years, with at least five years in Vermont immediately preceding ~~his or her~~ the candidate's application to the Board. The Board may make exceptions to the ~~five-year~~ requirement ~~for absences from practice that the candidate's~~ five years of practice in Vermont be contiguous and immediately preceding the candidate's application for reasons including family, military, academic, or medical leave.

(2) A candidate for magistrate shall be a Vermont resident and an experienced lawyer who has practiced law in Vermont for at least five years immediately preceding ~~his or her~~ the candidate's application to the Board. The Board may make exceptions to the requirement that the candidate's five years of practice in Vermont be contiguous and immediately preceding the candidate's application for reasons including family, military, academic, or medical leave.

(3) A candidate for Chair of the Public Utility Commission shall not be required to be an attorney; however, if the candidate is admitted to practice law in Vermont, the Judicial Nominating Board shall submit the candidate's name to the Court Administrator, and ~~he or she~~ the Court Administrator shall disclose to the Board information solely about professional disciplinary action taken or pending concerning the candidate. If a candidate is not admitted to practice law in Vermont, but practices a profession requiring licensure, certification, or other professional regulation by the State, the Judicial Nominating Board shall submit the candidate's name to the State professional regulatory entity and that entity shall disclose to the Board any professional disciplinary action taken or pending concerning the candidate.

(d) A candidate shall possess the following attributes:

(1) Integrity. A candidate shall possess a record and reputation for excellent character and integrity.

(2) Legal knowledge and ability. A candidate shall possess a high degree of knowledge of established legal principles and procedures and have demonstrated a high degree of ability to interpret and apply the law to specific factual situations.

(3) Judicial temperament. A candidate shall possess an appropriate judicial temperament.

(4) Impartiality. A candidate shall exhibit an ability to make judicial determinations in a manner free of bias.

(5) Communication capability. A candidate shall possess demonstrated oral and written capacities, with reasonable accommodations, required by the position.

(6) Financial integrity. A candidate shall possess demonstrated financial probity.

(7) Work ethic. A candidate shall demonstrate diligence.

(8) Administrative capabilities. A candidate shall demonstrate management and organizational skills or experience required by the position.

(9) Courtroom experience. For Superior Court, a candidate shall have sufficient trial or other comparable experience that ensures knowledge of the Vermont Rules of Evidence and courtroom procedure. For the Environmental Division of the Superior Court, a candidate shall have experience in environmental and zoning law.

(10) Other. A candidate shall possess other attributes the Board deems relevant as identified through its rules.

(e) The Board shall consider the extent to which a candidate would contribute to a Judicial branch that has diverse backgrounds and a broad range of lived experience.

Sec. 4. 4 V.S.A. § 603 is amended to read:

§ 603. APPOINTMENT OF JUSTICES, JUDGES, MAGISTRATES,  
PUBLIC UTILITY COMMISSION CHAIR, AND MEMBERS

Whenever the Governor appoints a Supreme Court Justice, a Superior Judge, a magistrate, the Chair of the Public Utility Commission, or a member of the Public Utility Commission, ~~he or she~~ the Governor shall select from the list of names of ~~qualified~~ well-qualified persons submitted by the Judicial Nominating Board pursuant to law. The names of candidates submitted and not selected shall remain confidential.

Sec. 5. 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.



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

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

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

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

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

**H. 867.**

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

An act relating to miscellaneous amendments to the laws governing alcoholic beverages and the Board of Liquor and Lottery.

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:

\* \* \* Special Venue Serving Permit; Retail Establishments \* \* \*

Sec. 1. 7 V.S.A. § 2 is amended to read:

§ 2. DEFINITIONS

As used in this title:

\* \* \*

(38) “Special venue serving permit” means a permit granted by the Division of Liquor Control permitting an art gallery, ~~bookstore~~ retail establishment, public library, or museum to conduct an event at which malt or vinous beverages, or both, are served by the glass to the public. As used in this section, “art gallery” means a fixed establishment whose primary purpose is to exhibit or offer for sale works of art; ~~“bookstore” means a fixed establishment whose primary purpose is to offer books for sale;~~ “public library” has the same meaning as in 22 V.S.A. § 101; and “museum” has the same meaning as in 27 V.S.A. § 1151. As used in this section, “retail establishment” does not include a Vermont agency liquor store or a cannabis establishment as that term is defined in section 861 of this title.

\* \* \*

Sec. 2. 7 V.S.A. § 254 is amended to read:

§ 254. SPECIAL VENUE SERVING PERMITS

(a) The Division of Liquor Control may grant an art gallery, ~~bookstore~~ retail establishment, public library, or museum a special venue serving permit if the applicant has:

\* \* \*

(c) A permit holder shall be subject to the provisions of this title and the rules of the Board regarding the service of alcoholic beverages. A permit holder shall be authorized to serve, but not sell, alcoholic beverages for not more than six hours and solely for consumption on the permitted premises.

\* \* \*

(e) An art gallery, retail establishment, public library, or museum may be issued not more than 12 special venue serving permits in a calendar year.

(f) As used in this section, “retail establishment” does not include a Vermont agency liquor store or a cannabis establishment as that term is defined in section 861 of this title.

\* \* \* 2026 Sunset of Special Venue Serving Permits  
for Retail Establishments \* \* \*

Sec. 3. 7 V.S.A. § 254 is amended to read:

§ 254. SPECIAL VENUE SERVING PERMITS

(a) The Division of Liquor Control may grant an art gallery, ~~retail establishment~~, public library, or museum a special venue serving permit if the applicant has:

\* \* \*

(e) An art gallery, ~~retail establishment~~, public library, or museum may be issued not more than 12 special venue serving permits in a calendar year.

(f) ~~As used in this section, “retail establishment” does not include a Vermont agency liquor store or a cannabis establishment as that term is defined in section 861 of this title.~~

Sec. 4. 7 V.S.A. § 2 is amended to read:

§ 2. DEFINITIONS

As used in this title:

\* \* \*

(38) “Special venue serving permit” means a permit granted by the Division of Liquor Control permitting an art gallery, ~~retail establishment,~~ public library, or museum to conduct an event at which malt or vinous beverages, or both, are served by the glass to the public. As used in this section, “art gallery” means a fixed establishment whose primary purpose is to exhibit or offer for sale works of art; “public library” has the same meaning as in 22 V.S.A. § 101; and “museum” has the same meaning as in 27 V.S.A. § 1151. ~~As used in this section, “retail establishment” does not include a Vermont agency liquor store or a cannabis establishment as that term is defined in section 861 of this title.~~

\* \* \*

\* \* \* Sampling Event Permits \* \* \*

Sec. 5. 7 V.S.A. § 253 is amended to read:

§ 253. SAMPLING EVENT PERMITS

\* \* \*

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

\* \* \*

\* \* \* Special Event Permits \* \* \*

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

§ 252. SPECIAL EVENT PERMITS

\* \* \*

(c) A licensed manufacturer or rectifier may be issued not more than ~~10~~ 20 special event permits for the same physical location in a calendar year.

\* \* \* Liquor and Lottery Annual Report \* \* \*

Sec. 7. 31 V.S.A. § 657 is amended to read:

§ 657. REPORT OF THE ~~BOARD~~ DEPARTMENT

The ~~Board~~ Department of Liquor and Lottery shall make an annual report to the Governor and to the General Assembly on or before the 10th day of ~~January~~ March in each year. The report shall include an account of the Board’s actions and the receipts derived under the provisions of this chapter,

the practical effects of the application of the proceeds of the Lottery, and any recommendation for legislation that the Board deems advisable.

\* \* \* Extension of Liquor Liability Insurance Requirement \* \* \*

Sec. 8. 2023 Acts and Resolves No. 17, Sec. 4 is amended to read:

Sec. 4. EFFECTIVE DATES

- (a) This section and Secs. 1 and 3 shall take effect on July 1, 2023.
- (b) Sec. 2 shall take effect on July 1, ~~2024~~ 2026.

\* \* \* Retail Master License Report \* \* \*

Sec. 9. RETAIL MASTER LICENSE; REPORT

(a) On or before December 15, 2024, the Commissioner of Liquor and Lottery shall report to the Senate Committee on Economic Development, Housing and General Affairs and to the House Committee on Government Operations and Military Affairs regarding the creation of a retail master license that can be granted to a person that acts as the parent corporation for licensed retail dealers or manufacturers that have merged and permits the license holder to provide unified payroll and administrative services for the licensed retail dealers or manufacturers. The report shall include a proposal for legislation to create the license and an appropriate license fee.

\* \* \* Tobacco Retail Audit \* \* \*

Sec. 10. TOBACCO RETAIL AUDIT; INTENT; REPORT

(a) It is the intent of the General Assembly that comprehensive data should be developed regarding the placement of beverage alcohol products in retail establishments to inform future public policy decisions by the General Assembly.

(b)(1) On or before January 15, 2025, 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 regarding the results of the 2024 Tobacco Retail Audit.

(2) The report shall include detailed findings regarding the physical placement of beverage alcohol products within licensed retail establishments.

\* \* \* Effective Dates \* \* \*

Sec. 11. EFFECTIVE DATES

- (a) This section and Sec. 5 shall take effect on passage.
- (b) Secs. 3 and 4 shall take effect on July 1, 2026.

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

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

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

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

**Proposal of Amendment, Second Reading; Consideration Postponed**

**H. 875.**

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

An act relating to the State Ethics Commission and the State Code of Ethics.

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

\* \* \* Candidate Financial Disclosure Requirements \* \* \*

Sec. 1. 17 V.S.A. § 2414 is amended to read:

§ 2414. CANDIDATES FOR STATE AND LEGISLATIVE OFFICE;  
DISCLOSURE FORM

(a) Each candidate for State office, county office, State Senator, or State Representative shall file with the officer with whom consent of candidate forms are filed, along with ~~his or her~~ the candidate's consent, a disclosure form ~~prepared~~ created and maintained by the State Ethics Commission that contains the following information in regard to the previous ~~calendar year~~ 12 months:

(1) ~~Each~~ each source, but not amount, of personal income of the candidate and of ~~his or her~~ the candidate's spouse or domestic partner, and of the candidate together with ~~his or her~~ the candidate's spouse or domestic

partner, that totals more than \$5,000.00, ~~including any of the sources meeting that total~~ described as follows:

(A) ~~employment~~, including the candidate's employer or business name and address; and,

~~(B) if self-employed, a description of the nature of the self-employment without needing to disclose any individual clients, including the names of any clients whose principal business activities are regulated by or that have a contract with any municipal or State office, department, or agency, provided that this information is known to the candidate or the candidate's domestic partner and that the disclosed information is not confidential information; and~~

~~(B) investments, described generally as "investment income."~~

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

(3)(A) ~~Any any~~ company of which the candidate or ~~his or her~~ the candidate's spouse or domestic partner, or the candidate together with ~~his or her~~ the candidate's spouse or domestic partner, owned more than 10 percent; and

~~(B) the details of any loan made to or by any applicable company in subdivision (A) of this subdivision (3) that is not a commercially reasonable loan made in the ordinary course of business, including any borrower and lender;~~

(4) any company of which the candidate or the candidate's spouse or domestic partner, or the candidate together with the candidate's spouse or domestic partner, had an ownership or controlling interest in any amount, and in the previous 12 months the company had business before or with any municipal or State office, agency, or department;

(5) ~~Any any~~ lease or contract with the State held or entered into by:

(A) the candidate or ~~his or her~~ the candidate's spouse or domestic partner; or

(B) a company of which the candidate or ~~his or her~~ the candidate's spouse or domestic partner, or the candidate together with ~~his or her~~ the candidate's spouse or domestic partner, owned more than 10 percent;

(6) a generalized description, but not amount, to the best of the candidate's knowledge, of the following investments held by a candidate or the candidate's spouse or domestic partner:

(A) individual stock holdings valued at \$25,000.00 or more, which a candidate exercises control over or has the ability to exercise control over, which shall be listed individually;

(B) interests in investment funds valued at \$25,000.00 or more that a candidate or the candidate's spouse or domestic partner has the ability to exercise control over, which shall be listed individually;

(C) interests in virtual currencies, as defined in 8 V.S.A. § 2500, valued at \$25,000.00 or more, which shall be listed individually;

(D) interests in trusts valued at \$25,000.00 or more, which shall be listed individually;

(E) municipal or State bonds issued in the State of Vermont of any value, which shall be listed individually; and

(F) the details of any loan made to the candidate or the candidate's spouse that is not a commercially reasonable loan made in the ordinary course of business; and

(7) the full name of the candidate's spouse or domestic partner.

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

(c) In addition, each candidate for State office shall attach to the disclosure form described in subsection (a) of this section a copy of ~~his or her~~ the candidate's most recent U.S. Individual Income Tax Return Form 1040; provided, however, that the candidate may redact from that form the following information:

(1) the candidate's Social Security number and that of ~~his or her~~ the candidate's spouse, if applicable;

(2) the names of any dependent and the dependent's Social Security number; and

(3) the signature of the candidate and that of ~~his or her~~ the candidate's spouse, if applicable;

(4) the candidate's street address; and

(5) any identifying information and signature of a paid preparer.

(d)(1) A senatorial district clerk or representative district clerk who receives a disclosure form under this section shall forward a copy of the

disclosure to the Secretary of State within three business days ~~of~~ after receiving it.

(2)(A) The Secretary of State shall post a copy of any disclosure forms and tax returns ~~he or she~~ the Secretary receives under this section on ~~his or her~~ the Secretary's official State website. The forms shall remain posted on the Secretary's website until the date of the filing deadline for petition and consent forms for major party candidates for the statewide primary in the following election cycle.

\* \* \*

(e) As used in this section:

(1) "Commercially reasonable loan made in the ordinary course of business" means a loan made:

(A) in the usual manner on any recognized market;

(B) at the price current in any recognized market at the time of making the loan; or

(C) otherwise in conformity with reasonable commercial practices among lenders typically dealing in the type of loan made.

(2) "Confidential information" means information that is exempt from public inspection and copying under 1 V.S.A. § 315 et seq. or is otherwise designated by law as confidential.

(3) "County office" means the office of assistant judge of the Superior Court, high bailiff, judge of Probate, sheriff, or State's Attorney.

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

\* \* \*

~~(2)~~(5) "Lobbyist" and "lobbying firm" shall have the same meanings as in 2 V.S.A. § 261.

(6) "Investment fund" means a widely held investment fund that is publicly traded or available and has assets that are widely diversified. Investment funds include a mutual fund, regulated investment company, common trust fund maintained by a bank or similar financial institution, pension or deferred compensation plan, and any other pooled investment fund.

(7) "Widely diversified" means a fund that does not have a stated policy of concentrating its investments in any industry, business, or single country other than the United States or bonds of a single state within the United States.



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\* \* \* In-Office Financial Disclosure Requirements \* \* \*

Sec. 2. 3 V.S.A. § 1201 is amended to read:

§ 1201. DEFINITIONS

As used in this chapter:

(1) “Candidate” and “candidate’s committee” have the same meanings as in 17 V.S.A. § 2901.

(2) “Commission” means the State Ethics Commission established under subchapter 3 of this chapter.

(3) “Commercially reasonable loan made in the ordinary course of business” means a loan made:

(A) in the usual manner on any recognized market;

(B) at the price current in any recognized market at the time of making the loan; or

(C) otherwise in conformity with reasonable commercial practices among lenders typically dealing in the type of loan made.

(4) “Confidential information” means information that is exempt from public inspection and copying under 1 V.S.A. § 315 et seq. or is otherwise designated by law as confidential.

(5) “Conflict of interest” means a direct or indirect interest of a public servant or such an interest, known to the public servant, of a member of the public servant’s immediate family, or of a business associate, in the outcome of a particular matter pending before the public servant or the public servant’s public body, or that is in conflict with the proper discharge of the public servant’s duties. “Conflict of interest” does not include any interest that is not greater than that of other individuals generally affected by the outcome of a matter.

(6) “County officer” means an individual holding the office of high bailiff, sheriff, or State’s Attorney.

~~(4)~~(7) “Domestic partner” means an individual in an enduring domestic relationship of a spousal nature with the Executive officer or the public servant, provided the individual and Executive officer or public servant:

(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.

~~(5)~~(8) "Executive officer" means:

(A) a State officer; or

(B) a deputy under the Office of the Governor a State officer, including an agency secretary or deputy or, and a department commissioner or deputy.

~~(6)~~(9) "Governmental conduct regulated by law" means conduct by an individual in regard to the operation of State government that is restricted or prohibited by law and includes:

(A) bribery pursuant to 13 V.S.A. § 1102;

(B) neglect of duty by public officers pursuant to 13 V.S.A. § 3006 and by members of boards and commissions pursuant to 13 V.S.A. § 3007;

(C) taking illegal fees pursuant to 13 V.S.A. § 3010;

(D) false claims against government pursuant to 13 V.S.A. § 3016;

(E) owning or being financially interested in an entity subject to a department's supervision pursuant to section 204 of this title;

(F) failing to devote time to duties of office pursuant to section 205 of this title;

(G) engaging in retaliatory action due to a State employee's involvement in a protected activity pursuant to chapter 27, subchapter 4A of this title;

(H) a former legislator or former Executive officer serving as a lobbyist pursuant to 2 V.S.A. § 266(b); ~~and~~

(I) a former Executive officer serving as an advocate pursuant to section 267 of this title; and

(J) creating or permitting to persist any unlawful employment practice pursuant to 21 V.S.A. § 495.

~~(7)~~(10) "Immediate family" means an individual's spouse, domestic partner, or civil union partner; child or foster child; sibling; parent; or such relations by marriage or by civil union or domestic partnership; or an individual claimed as a dependent for federal income tax purposes.

(11) “Investment fund” means a widely held investment fund, that is publicly traded or available and has assets that are widely diversified. Investment funds include a mutual fund, regulated investment company, common trust fund maintained by a bank or similar financial institution, pension or deferred compensation plan, and any other pooled investment fund.

(8)(12) “Lobbyist” and “lobbying firm” have the same meanings as in 2 V.S.A. § 261.

(9)(13) “Person” means any individual, group, business entity, association, or organization.

(10)(14) “Political committee” and “political party” have the same meanings as in 17 V.S.A. § 2901.

(15) “Public servant” means an individual elected or appointed to serve as a State officer, an individual elected or appointed to serve as a member of the General Assembly, a State employee, an individual appointed to serve on a State board or commission, or an individual who in any other way is authorized to act or speak on behalf of the State.

(11)(16) “State officer” means the Governor, Lieutenant Governor, Treasurer, Secretary of State, Auditor of Accounts, or Attorney General.

(17) “Unethical conduct” means any conduct of a public servant in violation of the Code of Ethics, as provided for in this chapter.

(18) “Widely diversified” means a fund that does not have a stated policy of concentrating its investments in any industry, business, or single country other than the United States or bonds of a single state within the United States.

Sec. 2a. REPEAL

24 V.S.A. § 314 (Sheriffs; annual disclosure) is repealed.

Sec. 3. 3 V.S.A. § 1202 is amended to read:

§ 1202. STATE CODE OF ETHICS; APPLICABILITY

(a) ~~Unless excluded under this section, the Code of Ethics applies to all individuals elected or appointed to serve as officers of the State, all individuals elected or appointed to serve as members of the General Assembly, all State employees, all individuals appointed to serve on State boards and commissions, and individuals who in any other way are authorized to act or speak on behalf of the State. This code refers to them all as public servants.~~

\* \* \*

Sec. 4. 3 V.S.A. § 1203 is amended to read:

§ 1203. CONFLICT OF INTEREST; APPEARANCE OF CONFLICT OF INTEREST

(a) Conflict of interest; appearance of conflict of interest.

(1) In the public servant's official capacity, the public servant shall avoid any conflict of interest or the appearance of a conflict of interest. The appearance of a conflict shall be determined from the perspective of a reasonable individual with knowledge of the relevant facts.

(2) Except as otherwise provided in subsections (b) and (c) of this section, when confronted with a conflict of interest, a public servant shall recuse themselves from the matter and not take further action.

~~(3) As used in this section, "conflict of interest" means a direct or indirect interest of a public servant or such an interest, known to the public servant, of a member of the public servant's immediate family or household, or of a business associate, in the outcome of a particular matter pending before the public servant or the public servant's public body, or that is in conflict with the proper discharge of the public servant's duties. "Conflict of interest" does not include any interest that is not greater than that of other individuals generally affected by the outcome of a matter. [Repealed.]~~

\* \* \*

Sec. 5. 3 V.S.A. § 1211 is amended to read:

§ 1211. EXECUTIVE OFFICERS; ANNUAL DISCLOSURE

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

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

(A) ~~employment, including the~~ officer's employer or business name and address; and,

(B) ~~if self-employed, a description of the nature of the self-employment without needing to disclose any individual clients, including the names of any clients whose principal business activities are regulated by or that have a contract with any municipal or State office, department, or agency, provided that this information is known to the candidate or the candidate's~~

domestic partner and that the disclosed information is not confidential information; and

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

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

(3)(A) Any any company of which the officer or his or her the officer’s spouse or domestic partner, or the officer together with his or her the officer’s spouse or domestic partner, owned more than 10 percent; and

(B) the details of any loan made to any applicable company in subdivision (A) of this subdivision (3) that is not a commercially reasonable loan made in the ordinary course of business, including any borrower and lender;

(4) any company of which the officer or the officer’s spouse or domestic partner, or the officer together with the officer’s spouse or domestic partner, had an ownership or controlling interest in any amount, and the company had business before or with any municipal or State office, agency, or department;

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

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

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

(6) a generalized description, but not amount, to the best of the candidate’s knowledge, of the following investments held by a candidate or the candidate’s spouse or domestic partner:

(A) individual stock holdings valued at \$25,000.00 or more, which a candidate exercises control over or has the ability to exercise control over, which shall be listed individually;

(B) interests in investment funds valued at \$25,000.00 or more that a candidate or the candidate’s spouse or domestic partner has the ability to exercise control over, which shall be listed individually;

(C) interests in virtual currencies, as defined in 8 V.S.A. § 2500, valued at \$25,000 or more, which shall be listed individually;

(D) interests in trusts valued at \$25,000.00 or more, which shall be listed individually;

(E) municipal or State bonds issued in the State of Vermont of any value, which shall be listed individually; and

(F) the details of any loan made to the candidate or the candidate's spouse that is not a commercially reasonable loan made in the ordinary course of business; and

(7) the full name of the candidate's spouse or domestic partner.

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

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

(2) Each Executive officer and county officer shall sign ~~his or her~~ the officer's disclosure form in order to certify it in accordance with this subsection.

(d)(1) ~~An~~ Each Executive officer and county officer shall file ~~his or her~~ the officer's disclosure on or before January 15 of each year or, if ~~he or she~~ the officer is appointed after January 15, within 10 days after that appointment.

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

(e) [Repealed.]

\* \* \* Delinquent Disclosures for Candidates for State Office, County Office,  
State Senator, and State Representative \* \* \*

Sec. 6. 17 V.S.A. § 2415 is added to read:

§ 2415. FAILURE TO FILE; PENALTIES

(a) If any disclosure required of a candidate for State office, county office, State Senator, or State Representative by section 2414 of this title is not filed in the time and manner set forth in sections 2356, 2361, and 2402 of this title, the candidate for State office, county office, State Senator, or State Representative shall be addressed as follows:

(1) The State Ethics Commission, after notification by the Office of the Secretary of State of the names of delinquent filers, shall issue a notice of delinquency to the candidate for State office, county office, State Senator, or

State Representative for any disclosure required of a candidate for State office, county office, State Senator, or State Representative by section 2414 of this title that is not filed in the time and manner set forth in sections 2356, 2361, and 2402 of this title.

(2) Following notice of delinquency sent by the State Ethics Commission to the candidate for State office, county office, State Senator, or State Representative, the candidate shall have five working days from the date of the issuance of the notice to cure the delinquency.

(3) Beginning six working days from the date of notice, the delinquent candidate for State office, county office, State Senator, or State Representative shall pay a \$10.00 penalty for each day thereafter that the disclosure remains delinquent; provided, however, that in no event shall the amount of any penalty imposed under this subdivision exceed \$1,000.00.

(4) Notwithstanding subdivision (3) of this subsection (a), the State Ethics Commission may reduce or waive any penalty imposed under this section if the candidate for State office, county office, State Senator, or State Representative demonstrates good cause, as determined by the State Ethics Commission and in the sole discretion of the State Ethics Commission.

(b) The Commission shall send a notice of delinquency to the e-mail address provided by the candidate for State office, county office, State Senator, or State Representative in the candidate's consent of candidate form.

(c) The State Ethics Commission may avail itself of remedies available under the Vermont Setoff Debt Collection Act, as set forth in 32 V.S.A. chapter 151, subchapter 12, to collect any unpaid penalty.

(d)(1) A candidate for State office, county office, State Senator, or State Representative who files a disclosure with intent to defraud, falsify, conceal, or cover up by any trick, scheme, or device a material fact, or, with intent to defraud, make any false, fictitious, or fraudulent claim or representation as to a material fact, or, with intent to defraud, make or use any writing or document knowing the same to contain any false, fictitious, or fraudulent claim or entry as to a material fact shall be considered to have made a false claim for the purposes of 13 V.S.A. § 3016.

(2) Pursuant to 3 V.S.A. § 1223 and section 2904a of this title, complaints regarding any candidate for State office, county office, State Senator, or State Representative who fails to properly file a disclosure required under this subchapter may be filed with the State Ethics Commission. The Executive Director of the State Ethics Commission shall refer complaints to the Attorney General or to the State's Attorney of jurisdiction for investigation, as appropriate.

\* \* \* Expansion of State Ethics Commission's Powers \* \* \*

Sec. 7. 3 V.S.A. § 1221(a) is amended to read:

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

Sec. 8. 3 V.S.A. § 1222 is redesignated to read:

§ 1222. COMMISSION MEMBER ~~DUTIES AND~~ PROHIBITED CONDUCT

Sec. 9. 3 V.S.A. § 1223 is amended to read:

§ 1223. PROCEDURE FOR HANDLING ACCEPTING AND REFERRING COMPLAINTS

\* \* \*

(b) Preliminary review by Executive Director. The Executive Director shall conduct a preliminary review of complaints made to the Commission in order to take action as set forth in this subsection and section 1223a of this title, which shall include referring complaints to all relevant entities, including the Commission itself.

\* \* \*

(5) Municipal Code of Ethics. If the complaint alleges a violation of the Municipal Code of Ethics, the Executive Director shall refer the complaint to the designated ethics liaison of the appropriate municipality.

~~(5)(6)~~ (6) Closures. The Executive Director shall close any complaint that ~~he or she~~ the Executive Director does not refer as set forth in subdivisions (1)–(4)~~(5)~~ of this subsection.

(c) Consultation on unethical conduct. If the Executive Director refers a complaint under subsection (b) of this section, the Executive Director shall signify any likely unethical conduct described in the complaint. Any entity receiving a referred complaint, except those in subdivision (b)(5) of this section, shall consult with the Commission regarding the application of the State Code of Ethics to facts presented in the complaint. The consultation shall be in writing and occur within 60 days after an entity receives a referred



complaint and prior to the entity making a determination on the complaint, meaning either closing a complaint without further investigation or issuing findings following an investigation.

(d) Confidentiality. Complaints and related documents in the custody of the Commission shall be exempt from public inspection and copying under the Public Records Act and kept confidential, except as provided for in section 1231 of this title.

Sec. 10. 3 V.S.A. § 1227 is added to read:

§ 1227. INVESTIGATIONS

(a) Power to investigate. The Commission, through its Executive Director, may investigate public servants for alleged unethical conduct. The Commission may investigate alleged unethical conduct after receiving a complaint pursuant to section 1223 of this title. The Commission may also investigate suspected unethical conduct without receiving any complaint.

(b) Initiation of investigation by Commission vote. The Executive Director shall only initiate an investigation upon an affirmative vote to proceed with the investigation of unethical conduct by a majority of current members of the Commission who have not recused themselves.

(c) Statute of limitations. The Commission shall only initiate an investigation relating to unethical conduct that last occurred within the prior two years.

(d) Outside legal counsel and investigators. The Executive Director may appoint legal counsel, who shall be an attorney admitted to practice in this State, and investigators to assist with investigations, hearings, and issuance of warnings, reprimands, and recommended actions.

(e) Notice. The Executive Director shall notify the complainant and public servant, in writing, of any complaint being investigated.

(f) Complainant participation. A complainant shall have the right to be heard in an investigation resulting from the complaint.

(g) Timeline of investigation. An investigation shall conclude within six months after either the date of the complaint received or, in the event no complaint was received, the date of the investigation's initiation by the Executive Director.

(h) Burden of proof. For a hearing to be warranted subsequent to an investigation, the Executive Director shall find that there is a reasonable basis to believe that the public servant's conduct constitutes an unethical violation.

(i) Determination after investigation.

(1) Upon investigating the alleged unethical conduct, if the Executive Director determines that an evidentiary hearing is warranted, the Executive Director shall notify the Commission. If a majority of current members of the Commission who have not recused themselves vote in concurrence with the Executive Director's determination that an evidentiary hearing is warranted, the Executive Director shall prepare an investigation report specifying the public servant's alleged unethical conduct, a copy of which shall be served upon the public servant and any complainant, together with the notice of hearing set forth in section 1228 of this title.

(2) Upon investigating the alleged unethical conduct, if the Executive Director determines that an evidentiary hearing is not warranted, the Executive Director shall notify the Commission, the public servant, and any complainant, in writing, of the result of the investigation and the termination of proceedings.

Sec. 11. 3 V.S.A. § 1228 is added to read:

§ 1228. HEARINGS BEFORE THE COMMISSION

(a) Power to hold hearings. The Commission may meet and hold hearings for the purpose of gathering evidence and testimony if found warranted pursuant to section 1227 of this title and to make determinations.

(b) All Commission hearings shall be considered meetings of the Commission as described in subsection 1221(e) of this title, and shall be conducted in accordance with 1 V.S.A. § 310 et seq.

(c) Time of hearing. The Chair of the Commission shall set a time for the hearing as soon as convenient following the Director's determination that an evidentiary hearing is warranted, subject to the discovery needs of the public servant and any complainant as established in any prehearing or discovery conference or in any orders regulating discovery and depositions, or both, but not earlier than 30 days after service of the charge upon the public servant. The public servant or a complainant may file motions to extend the time of the hearing for good cause, which may be granted by the Chair.

(d) Notice of hearing. The Chair shall give the public servant and any complainant reasonable notice of a hearing, which shall include:

(1) A statement of the time, place, and nature of the hearing.

(2) A statement of the legal authority and jurisdiction under which the hearing is to be held.

(3) A reference to the particular sections of the statutes and rules involved.

(4) A short and plain statement of the matters at issue. If the Commission is unable to state the matters in detail at the time the notice is served, the initial notice may be limited to a statement of the issues involved. Thereafter, upon application by either the public servant or any complainant, a more definite and detailed statement shall be furnished.

(5) A reference and copy of any rules adopted by the Commission regarding the hearing's procedures, rules of evidence, and other aspects of the hearing.

(e) Rights of public servants and complainants. Opportunity shall be given to the public servant and any complainant to be heard at the hearing, present evidence, respond to evidence, and argue on all issues related to the alleged unethical misconduct.

(f) Executive session. In addition to the provisions of 1 V.S.A. § 313(a), the Commission may enter executive session if the Commission deems it appropriate in order to protect the confidentiality of an individual or any other protected information pertaining to any identifiable person that is otherwise confidential under State or federal law.

Sec. 12. 3 V.S.A. § 1229 is added to read:

§ 1229. WARNINGS; REPRIMANDS; RECOMMENDED ACTIONS;  
AGREEMENTS

(a) Power to issue warnings, reprimands, and recommended actions. The Commission may issue warnings, reprimands, and recommended actions, not inconsistent with the Vermont Constitution and laws of the State, including facilitated mediation, additional training and education, referrals to counseling and wellness support, or other remedial actions.

(b) Factors in determination.

(1) Circumstances of unethical conduct. In this determining, the Commission shall consider the degree of unethical conduct, the timeline over which the unethical conduct occurred and whether the conduct was repeated, and the privacy, rights, and responsibilities of the parties.

(2) Determination based on evidence. The Commission shall render its determination on the allegation on the basis of the evidence in the record before it, regardless of whether the Commission makes its determination on the investigation report of the Executive Director pursuant to section 1227 of this title alone, on evidence and testimony presented in the hearing pursuant to section 1228 of this title, or on its own findings.

(3) Burden of proof. The Commission shall only issue a warning, reprimand, or recommended action if it finds that, by a preponderance of the evidence, the public servant committed unethical conduct.

(c) Determination after hearing.

(1) If a majority of current members of the Commission who have not recused themselves find that the public servant committed unethical conduct as specified in the investigation report the Executive Director pursuant to section 1227 of this title alone, the Commission shall then, in writing or stated in the record, issue a warning, reprimand, or recommended action.

(2) If the Commission does not find that the public servant committed unethical conduct, the Commission shall issue a statement that the allegations were not proved.

(3) When a determination or order is approved for issue by the Commission, the decision or order may be signed by the Chair on behalf of the Commission.

(d) Timeline for determination. The Commission shall make its determination within 30 days after concluding the Commission's last hearing under this section and notify the public servant and any complainant of the Committee's determination. This timeline may be extended by the Commission for good cause or pursuant to an agreement made between the Commission and the public servant.

(e) Referral of unethical conduct. Notwithstanding subsection 1223(c) of this title, the Commission shall notify the Attorney General or the State's Attorney of jurisdiction of any alleged violations of governmental conduct regulated by law or the relevant federal agency of any alleged violations of federal law, if discovered in the course of the Commission's investigations.

(f) Power to enter into resolution agreements.

(1) Notwithstanding any provisions of this chapter to the contrary, the Commission may, by a majority vote of its current members who have not recused themselves, enter into a resolution agreement with a public servant who is the subject of a complaint or investigation.

(2) A resolution agreement shall:

(A) include an agreed course of remedial action to be taken by the public servant;

(B) be in writing; and

(C) be executed by both the public servant and Executive Director.

(3) A resolution agreement may be entered into at any point in time before or during Commission proceedings. Any procedural deadlines described in this chapter or rules adopted pursuant to this chapter shall be paused at the time of execution of the resolution agreement. The Executive Director shall verify compliance with the resolution agreement within three months following execution of the agreement, and if the Executive Director is not satisfied that compliance has been achieved, the Commission may resume its initial proceedings.

(4) The Commission shall create a summary of any resolution agreement. A summary of any resolution agreement shall be a public record subject to public inspection and copying under the Public Records Act. A resolution agreement shall be exempt from public inspection and copying under the Public Records Act and shall be considered confidential.

Sec. 13. 3 V.S.A. § 1230 is added to read:

§ 1230. PROCEDURE; RULEMAKING

(a) Procedure. Unless otherwise controlled by statute or rules adopted by the Commission, the Vermont Rules of Civil Procedure and the Vermont Rules of Evidence shall apply in the Commission's investigations and hearings.

(b) Rulemaking. The Commission shall adopt rules pursuant to 3 V.S.A. chapter 25 regarding procedural and evidentiary aspects of the Commission's investigations and hearings.

(c) Waiver of rules. To prevent unnecessary hardship, delay, or injustice, or for other good cause, a vote of two-thirds of the Commission's members present and voting may waive the application of a rule upon such conditions as the Chair may require, unless precluded by rule or by statute.

(d) Subpoenas and oaths. The Commission, the Executive Director, and the Commission's legal counsel and investigators shall have the power to issue subpoenas and administer oaths in connection with any investigation or hearing, including compelling the provision of materials or the attendance of witnesses at any investigation or hearing. The Commission, the Executive Director, and the Commissioner's legal counsel shall seek voluntary compliance prior to issuing a subpoena, except in cases where there is reasonable suspicion that materials will not be produced in a timely manner. The Commission, the Executive Director, and the Commission's legal counsel and investigators may take or cause depositions to be taken as needed in any investigation or hearing.

Sec. 14. 3 V.S.A. § 1231 is added to read:

§ 1231. RECORDS; CONFIDENTIALITY

(a) Intent. It is the intent of this section both to protect the reputation of public servants from public disclosure of frivolous complaints against them and to fulfill the public's right to know any unethical conduct committed by a public servant that results in issued warnings, reprimands, or recommended actions.

(b) Public records. Except as where otherwise provided in this chapter, public records relating to the Commission's handling of complaints, alleged unethical conduct, investigations, proceedings, and executed resolution agreements are exempt from public inspection and copying under the Public Records Act and shall be kept confidential, except those public records required or permitted to be released under this chapter. Records subject to public inspection and copying under the Public Records Act shall include:

(1) investigation reports relating to alleged unethical conduct determined to warrant a hearing pursuant to section 1227 of this title, but not any undisclosed records gathered or created in the course of an investigation;

(2) at the request of the public servant or the public servant's designated representative, investigation reports relating to alleged unethical conduct determined to not warrant a hearing pursuant to section 1227 of this title, but not any undisclosed records gathered or created in the course of an investigation;

(3) evidence produced in the open and public portions of Commission hearings;

(4) any warnings, reprimands, and recommendations issued by the Commission;

(5) any summaries of executed resolution agreements; and

(6) any records, as determined by the Commission, that support a warning, reprimand, recommendation, or summary of an executed resolution agreement, including consultations created pursuant to subsection 1223(c) of this title and investigation reports in accordance with subdivisions (1) and (2) of this subsection.

(c) Court orders. Nothing in this section shall prohibit the disclosure of any information regarding alleged unethical conduct pursuant to an order from a court of competent jurisdiction, or to a State or federal law enforcement agency in the course of its investigation, provided the agency agrees to maintain the confidentiality of the information as provided in subsection (b) of this section.

\* \* \* State Ethics Commission Membership \* \* \*

Sec. 15. 3 V.S.A. § 1221(b) is amended to read:

## (b) Membership.

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

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

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

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

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

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

(F) one member, who shall be a former municipal officer, appointed by the Speaker of the House; and

(G) one member, who shall be a former municipal officer, appointed by the Senate Committee on Committees.

\* \* \*

\* \* \* State Ethics Commission Staffing \* \* \*

Sec. 16. 3 V.S.A. § 1221(c) is amended to read:

## (c) Executive Director.

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

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

Sec. 17. [Deleted.]

\* \* \* Citation Correction \* \* \*

Sec. 18. 3 V.S.A. § 1221(e) is amended to read:

## (e) Meetings. Meetings of the Commission:

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

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

(3) shall be conducted in accordance with ~~1 V.S.A. § 172~~ 1 V.S.A. § 310 et seq.

\* \* \* Ethics Data Collection \* \* \*

Sec. 19. 3 V.S.A. § 1226 is amended to read:

§ 1226. ETHICS DATA COLLECTION; COMMISSION REPORTS

(a) Annually, on or before November 15, the following entities shall report to the State Ethics Commission aggregate data on ethics complaints not submitted to the Commission, with the complaints separated by topic, and the disposition of those complaints, including any prosecution, enforcement action, or dismissal:

(1) the office of the Attorney General and State's Attorneys' offices, of alleged violations of governmental conduct regulated by law and associated crimes and including campaign finance requirements;

(2) the Department of Human Resources, of complaints alleging conduct that violates the ethical provisions of the Department of Human Resources Personnel Policy and Procedure Manual or of the State Code of Ethics;

(3) the Senate Ethics Panel, of alleged unethical conduct committed by State Senators;

(4) the House Ethics Panel, of alleged unethical conduct committed by State Representatives;

(5) the Judicial Conduct Board, of alleged unethical conduct committed by a judicial officer;

(6) the Professional Responsibility Board, of alleged unethical conduct committed by an attorney employed by the State; and

(7) the Office of the State Court Administrator, of complaints alleging conduct that violates the ethical provisions of the Judicial Branch Personnel Policy or of the State Code of Ethics, including for attorneys employed by the State.

(b) Annually, on or before January 15, the State Ethics Commission shall report to the General Assembly regarding the following issues:



## (1) Complaints.

(A) The number and a summary of the complaints made to the Commission, separating the complaints by topic, and the disposition of those complaints, including any prosecution, enforcement action, or dismissal. This summary of complaints shall not include any personal identifying information.

(B) The number and a summary of the complaints data received by the Commission pursuant to subsection (a) of this section.

\* \* \*

\* \* \* Repeal of Redundant Municipal Ethics Law \* \* \*

## Sec. 20. REPEAL

24 V.S.A. § 1984 (conflict of interest prohibition) is repealed.

Sec. 21. 24 V.S.A. § 2291 is amended to read:

## § 2291. ENUMERATION OF POWERS

For the purpose of promoting the public health, safety, welfare, and convenience, a town, city, or incorporated village shall have the following powers:

\* \* \*

~~(20) To establish a conflict of interest policy to apply to all elected and appointed officials of the town, city, or incorporated village or ethical conduct policies to apply to all elected and appointed officials and employees of the municipality, or both. [Repealed.]~~

\* \* \*

\* \* \* Creation of Municipal Code of Ethics \* \* \*

Sec. 22. 24 V.S.A. chapter 60 is added to read:

CHAPTER 60. MUNICIPAL CODE OF ETHICS§ 1991. DEFINITIONS

As used in this chapter:

(1) “Advisory body” means a public body that does not have supervision, control, or jurisdiction over legislative, quasi-judicial, tax, or budgetary matters.

(2) “Candidate” and “candidate’s committee” have the same meanings as in 17 V.S.A. § 2901.

(3) “Commission” means the State Ethics Commission established under 3 V.S.A. chapter 31, subchapter 3.

(4) “Confidential information” means information that is exempt from public inspection and copying under 1 V.S.A. § 315 et seq. or is otherwise designated by law as confidential.

(5) “Conflict of interest” means a direct or indirect interest of a municipal officer or such an interest, known to the officer, of a member of the officer’s immediate family or household, or of a business associate, in the outcome of a particular matter pending before the officer or the officer’s public body, or that is in conflict with the proper discharge of the officer’s duties. “Conflict of interest” does not include any interest that is not greater than that of other individuals generally affected by the outcome of a matter.

(6) “Department head” means any authority in charge of an agency, department, or office of a municipality.

(7) “Designated complaint recipient” means:

(A) a department head or employee specifically designated or assigned to receive a complaint that constitutes protected activity, as set forth in section 1997 of this title;

(B) a board or commission of the State or a municipality;

(C) the Vermont State Auditor;

(D) a State or federal agency that oversees the activities of an agency, department, or office of the State or a municipality;

(E) a law enforcement officer as defined in 20 V.S.A. § 2358;

(F) a federal or State court, grand jury, petit jury, law enforcement agency, or prosecutorial office;

(G) the legislative body of the municipality, the General Assembly or the U.S. Congress; or

(H) an officer or employee of an entity listed in this subdivision (7) when acting within the scope of the officer’s or employee’s duties.

(8) “Domestic partner” means an individual in an enduring domestic relationship of a spousal nature with the municipal officer, provided the individual and municipal officer:

(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.

(9) "Illegal order" means a directive to violate, or to assist in violating, a federal, State, or local law.

(10) "Immediate family" means an individual's spouse, domestic partner, or civil union partner; child or foster child; sibling; parent; or such relations by marriage or by civil union or domestic partnership; or an individual claimed as a dependent for federal income tax purposes.

(11) "Legislative body" means the selectboard in the case of a town, the mayor, alderpersons, and city council members in the case of a city, the president and trustees in the case of an incorporated village, the members of the prudential committee in the case of a fire district, and the supervisor in the case of an unorganized town or gore.

(12) "Municipal officer" or "officer" means:

(A) any member of a legislative body of a municipality;

(B) any member of a quasi-judicial body of a municipality; or

(C) any individual who holds the position of, or exercises the function of, any of the following positions in or on behalf of any municipality:

(i) advisory budget committee member;

(ii) auditor;

(iii) building inspector;

(iv) cemetery commissioner;

(v) chief administrative officer;

(vi) clerk;

(vii) collector of delinquent taxes;

(viii) department heads;

(ix) first constable;

(x) lister or assessor;

(xi) mayor;

(xii) moderator;

(xiii) planning commission member;

- (xiv) road commissioner;
- (xv) town or city manager;
- (xvi) treasurer;
- (xvii) village or town trustee;
- (xviii) trustee of public funds; or
- (xix) water commissioner.

(13) "Municipality" has the same meaning as in 1 V.S.A. § 126 but does not include town school districts or incorporated school districts.

(14) "Protected employee" means an individual employed on a permanent or limited status basis by a municipality.

(15) "Public body" has the same meaning as in 1 V.S.A. § 310.

(16) "Retaliatory action" includes any adverse performance or disciplinary action, including discharge, suspension, reprimand, demotion, denial of promotion, imposition of a performance warning period, or involuntary transfer or reassignment; that is given in retaliation for the protected employee's involvement in a protected activity, as set forth in section 1997 of this title.

#### § 1992. CONFLICTS OF INTEREST

(a) Duty to avoid conflicts of interest. In the municipal officer's official capacity, the officer shall avoid any conflict of interest or the appearance of a conflict of interest. The appearance of a conflict shall be determined from the perspective of a reasonable individual with knowledge of the relevant facts.

#### (b) Recusal.

(1) If a municipal officer is confronted with a conflict of interest or the appearance of one, the officer shall immediately recuse themselves from the matter, except as otherwise provided in subdivisions (2) and (5) of this subsection, and not take further action on the matter or participate in any way or act to influence a decision regarding the matter. After recusal, an officer may still take action on the matter if the officer is a party, as defined by section 1201 of this title, in a contested hearing or litigation and acts only in the officer's capacity as a member of the public. The officer shall make a public statement explaining the officer's recusal.

(2)(A) Notwithstanding subdivision (1) of this subsection (b), an officer may continue to act in a matter involving the officer's conflict of interest or appearance of a conflict of interest if the officer first:

(i) determines there is good cause for the officer to proceed, meaning:

(I) the conflict is amorphous, intangible, or otherwise speculative;

(II) the officer cannot legally or practically delegate the matter;  
or

(III) the action to be taken by the officer is purely ministerial and does not involve substantive decision-making; and

(ii) the officer submits a written nonrecusal statement to the legislative body of the municipality regarding the nature of the conflict that shall:

(I) include a description of the matter requiring action;

(II) include a description of the nature of the potential conflict or actual conflict of interest;

(III) include an explanation of why good cause exists so that the municipal officer can take action in the matter fairly, objectively, and in the public interest;

(IV) be written in plain language and with sufficient detail so that the matter may be understood by the public; and

(V) be signed by the municipal officer.

(B) Notwithstanding subsection (A) of this subdivision (2), a municipal officer that would benefit from any contract entered into by the municipality and the officer, the officer's immediate family, or an associated business of the officer or the officer's immediate family, and whose official duties include execution of that contract, shall recuse themselves from any decision-making process involved in the awarding of that contract.

(C) Notwithstanding subsection (A) of this subdivision (2), a municipal officer shall not continue to act in a matter involving the officer's conflict of interest or appearance of a conflict of interest if authority granted to another official or public body elsewhere under law is exercised to preclude the municipal officer from continuing to act in the matter.

(3) If an officer's conflict of interest or the appearance of a conflict of interest concerns an official act or actions that take place outside a public meeting, the officer's nonrecusal statement shall be filed with the clerk of the municipality and be available to the public for the duration of the officer's service plus a minimum of five years.

(4) If an officer's conflict of interest is related to an official municipal act or actions considered at a public meeting, the officer's nonrecusal statement shall be filed as part of the minutes of the meeting of the public body in which the municipal officer serves.

(5) If, at a meeting of a public body, an officer becomes aware of a conflict of interest or the appearance of a conflict of interest for the officer and the officer determines there is good cause to proceed, the officer may proceed with the matter after announcing and fully stating the conflict on the record. The officer shall submit a written nonrecusal statement pursuant to subdivision (2) of this subsection within five business days after the meeting. The meeting minutes shall be subsequently amended to reflect the submitted written nonrecusal statement.

(c) Authority to inquire about conflicts of interest. If a municipal officer is a member of a public body, the other members of that body shall have the authority to inquire of the officer about any possible conflict of interest or any appearance of a conflict of interest and to recommend that the member recuse themselves from the matter.

(d) Confidential information. Nothing in this section shall require a municipal officer to disclose confidential information or information that is otherwise privileged under law.

#### § 1993. PROHIBITED CONDUCT

(a) Directing unethical conduct. A municipal officer shall not direct any individual to act in a manner that would:

(1) benefit a municipal officer in a manner related to the officer's conflict of interest;

(2) create a conflict of interest or the appearance of a conflict of interest for the officer or for the directed individual; or

(3) otherwise violate the Municipal Code of Ethics as described in this chapter.

(b) Preferential treatment. A municipal officer shall act impartially and not unduly favor or prejudice any person in the course of conducting official business. An officer shall not give, or represent an ability to give, undue preference or special treatment to any person because of the person's wealth, position, or status or because of a person's personal relationship with the officer, unless otherwise permitted or required by State or federal law.

(c) Misuse of position. A municipal officer shall not use the officer's official position for the personal or financial gain of the officer, a member of

the officer's immediate family or household, or the officer's business associate.

(d) Misuse of information. A municipal officer shall not use nonpublic or confidential information acquired during the course of official business for personal or financial gain of the officer or for the personal or financial gain of a member of the officer's immediate family or household or of an officer's business associate.

(e) Misuse of government resources. A municipal officer shall not make use of a town's, city's, or village's materials, funds, property, personnel, facilities, or equipment, or permit another person to do so, for any purpose other than for official business unless the use is expressly permitted or required by State law; ordinance; or a written agency, departmental, or institutional policy or rule. An officer shall not engage in or direct another person to engage in work other than the performance of official duties during working hours, except as permitted or required by law or a written agency, departmental, or institutional policy or rule.

(f) Gifts.

(1) No person shall offer or give to a municipal officer or candidate, or the officer's or candidate's immediate family, anything of value, including a gift, loan, political contribution, reward, or promise of future employment based on any understanding that the vote, official action, or judgment of the municipal officer or candidate would be, or had been, influenced thereby.

(2) A municipal officer or candidate shall not solicit or accept anything of value, including a gift, loan, political contribution, reward, or promise of future employment based on any understanding that the vote, official action, or judgment of the municipal officer or candidate would be or had been influenced thereby.

(3) Nothing in subdivision (1) or (2) of this subsection shall be construed to apply to any campaign contribution that is lawfully made to a candidate or candidate's committee pursuant to 17 V.S.A. chapter 61 or to permit any activity otherwise prohibited by 13 V.S.A. chapter 21.

(g) Unauthorized commitments. A municipal officer shall not make unauthorized commitments or promises of any kind purporting to bind the municipality unless otherwise permitted by law.

(h) Benefit from contracts. A municipal officer shall not benefit from any contract entered into by the municipality and the officer, the officer's immediate family, or an associated business of the officer or the officer's immediate family, unless:

- (1) the benefit is not greater than that of other individuals generally affected by the contract;
- (2) the contract is a contract for employment with the municipality;
- (3) the contract was awarded through an open and public process of competitive bidding; or
- (4) the total value of the contract is less than \$2,000.00.

#### § 1994. GUIDANCE AND ADVISORY OPINIONS

##### (a) Guidance.

(1) The Executive Director of the State Ethics Commission may provide guidance only to a municipal officer and only with respect to the officer's duties regarding any provision of this chapter or regarding any other issue related to governmental ethics.

(2) The Executive Director may consult with members of the State Ethics Commission and the municipality in preparing this guidance.

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

##### (b) Advisory opinions.

(1) On the written request of any municipal officer, the Executive Director may issue an advisory opinion to that officer that provides general advice or interpretation with respect to the officer's duties regarding any provision of this chapter or regarding any other issue related to governmental ethics.

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

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

(4) The Executive Director shall post on the Commission's website any advisory opinions that the Executive Director issues. Personally identifiable information is exempt from public inspection and copying under the Public Records Act and shall be kept confidential unless the municipal officer who is the subject of the advisory opinion authorizes the publication of the personally identifiable information.

#### § 1995. ETHICS TRAINING

(a) Initial ethics training. Within 120 days after the election or appointment of a member of a legislative body or a quasi-judicial body, or a



chief administrative officer, mayor, town or city manager, that individual shall complete ethics training, as approved by the State Ethics Commission. A municipality shall make a reasonable effort to provide training to all other municipal officers. The officer, the officer's employer, or another individual designated by the municipality shall document the officer's completed ethics training.

(b) Continuing ethics training. Upon completing initial ethics training, a municipal officer shall complete additional ethics training, as determined by the State Ethics Commission, every three years.

(c) Approval of training. Ethics trainings shall at minimum reflect the contents of the Municipal Ethics Code and be approved by the State Ethics Commission. Approval of ethics trainings shall not be unreasonably withheld. Ethics trainings shall be conducted by the State Ethics Commission, the municipality, or a third party approved in advance by the State Ethics Commission. The State Ethics Commission may approve trainings that are in person, online, and synchronous or asynchronous. The State Ethics Commission shall require ethics training to be designed in a manner as to achieve improved competency in the subject matter rather than rely on fixed hours of training as a measure of completed training.

(d) Training provided by the Commission.

(1) The State Ethics Commission shall develop and make available to municipalities ethics training required of municipal officers by subsections (a) and (b) of this section.

(2) The Commission shall develop and make available to municipalities trainings regarding how to investigate and resolve complaints that allege violations of the Municipal Code of Ethics.

(e) State Ethics Commission liaisons. Each municipality, acting through its legislative body, shall designate an employee as its liaison to the State Ethics Commission. If a municipality does not have any employees, the legislative body shall designate one of its members as its liaison to the State Ethics Commission. The municipality shall notify the Commission in writing of any newly designated liaison within 30 days after such change. The Commission shall disseminate information to the designated liaisons and conduct educational seminars for designated liaisons on a regular basis on a schedule to be determined by the Commission, in consultation with the municipality. The Commission shall report any ethics training conducted by the Commission and completed by an officer to the liaison of that officer's municipality.

#### § 1996. DUTIES OF MUNICIPALITIES

Each municipality shall:

(1) Ensure that the following are posted on the town's, city's, or village's website or, if no such website exists, ensure that a copy of each is received by all municipal officers and is made available to the public upon request:

(A) the Municipal Code of Ethics;

(B) procedures for the investigation and enforcement of complaints that allege a municipal officer has violated the Municipal Code of Ethics, as required by section 1997 of this title; and

(C) any supplemental or additional ordinances, rules, and personnel policies regarding ethics adopted by a municipality.

(2) Maintain a record of municipal officers who have received ethics training pursuant to section 1995 of this title.

(3) Designate a municipal officer or body to receive complaints alleging violations of the Municipal Code of Ethics.

(4) Maintain a record of received complaints and the disposition of each complaint made against a municipal officer for the duration of the municipal officer's service plus a minimum of five years.

(5) Upon request of the State Ethics Commission, promptly provide the State Ethics Commission with a summary of complaints received by the municipality and the outcome of each complaint, but excluding any personally identifiable information.

#### § 1997. ENFORCEMENT AND REMEDIES

Each municipality shall adopt, by ordinance, rule, or personnel policy, procedures for the investigation of complaints that allege a municipal officer has violated the Municipal Code of Ethics and the enforcement in instances of substantiated complaints, including methods of enforcement and available remedies.

#### § 1998. WHISTLEBLOWER PROTECTION

(a) Protected activity.

(1) An agency, department, appointing authority, official, or employee of a municipality shall not engage in retaliatory action against a protected employee because the protected employee refuses to comply with an illegal order or engages in any of the following:

(A) providing to a designated complaint recipient a good faith report or good faith testimony that alleges an entity of a municipality, employee or official of a municipality, or a person providing services to a municipality

under contract has engaged in a violation of law or in waste, fraud, abuse of authority, or a threat to the health of employees, the public, or persons under the care of a municipality; or

(B) assisting or participating in a proceeding to enforce the provisions of this section.

(2) No agency, department, appointing authority, official, or employee of a municipality shall attempt to restrict or interfere with, in any manner, a protected employee's ability to engage in any of the protected activity described in subdivision (1) of this subsection.

(3) No agency, department, appointing authority, or manager of a municipality shall require any protected employee to discuss or disclose the employee's testimony, or intended testimony, prior to the employee's appearance to testify before the General Assembly if the employee is not testifying on behalf of an entity of the municipality.

(4) No protected employee may divulge information that is confidential under State or federal law. An act by which a protected employee divulges such information shall not be considered protected activity under this subsection.

(5) In order to establish a claim of retaliation based upon the refusal to follow an illegal order, a protected employee shall assert at the time of the refusal the employee's good faith and reasonable belief that the order is illegal.

(b) Communications with legislative bodies of municipalities and the General Assembly.

(1) No entity of a municipality may prohibit a protected employee from engaging in discussion with a member of a legislative body or the General Assembly or from testifying before a committee of a municipality or a committee of the General Assembly; provided, however, that a protected employee may not divulge confidential information, and an employee shall be clear that the employee is not speaking on behalf of an entity of a municipality.

(2) No protected employee shall be subject to discipline, discharge, discrimination, or other adverse employment action as a result of the employee providing information to a member of a legislative body, a legislator, or a committee of a municipality or a committee of the General Assembly; provided, however, that the protected employee does not divulge confidential information and that the employee is clear that the employee is not speaking on behalf of any entity of the municipality. The protections set forth in this section shall not apply to statements that constitute hate speech or threats of violence against a person.

(3) In the event that an appearance before a committee of a municipality or committee of the General Assembly will cause a protected employee to miss work, the employee shall request to be absent from work and shall provide as much notice as is reasonably possible. The request shall be granted unless there is good cause to deny the request. If a request is denied, the decision and reasons for the denial shall be in writing and shall be provided to the protected employee in advance of the scheduled appearance. The protections set forth in this subsection (b) are subject to the efficient operation of municipal government, which shall prevail in any instance of conflict.

(c) Enforcement and preemption.

(1) Nothing in this section shall be deemed to diminish the rights, privileges, or remedies of a protected employee under other federal, State, or local law, or under any collective bargaining agreement or employment contract, except the limitation on multiple actions as set forth in this subsection.

(2) A protected employee who files a claim of retaliation for protected activity with the Vermont Labor Relations Board or through binding arbitration under a grievance procedure or similar process available to the employee may not bring such a claim in Superior Court.

(3) A protected employee who files a claim under this section in Superior Court may not bring a claim of retaliation for protected activity under a grievance procedure or similar process available to the employee.

(d) Remedies. A protected employee who brings a claim in Superior Court may be awarded the following remedies:

(1) reinstatement of the employee to the same position, seniority, and work location held prior to the retaliatory action;

(2) back pay, lost wages, benefits, and other remuneration;

(3) in the event of a showing of a willful, intentional, and egregious violation of this section, an amount up to the amount of back pay in addition to the actual back pay;

(4) other compensatory damages;

(5) interest on back pay;

(6) appropriate injunctive relief; and

(7) reasonable costs and attorney's fees.

(e) Posting. Every agency, department, and office of a municipality shall post and display notices of protected employee protection under this section in a prominent and accessible location in the workplace.

(f) Limitations of actions. An action alleging a violation of this section brought under a grievance procedure or similar process shall be brought within the period allowed by that process or procedure. An action brought in Superior Court shall be brought within 180 days following the date of the alleged retaliatory action.

#### § 1999. MUNICIPAL CHARTERS; SUPPLEMENTAL ETHICS POLICIES

(a) To the extent any provisions of this chapter conflict with the provisions of any municipal charter listed in Title 24 Appendix, the provisions of this chapter shall prevail.

(b) A municipality may adopt additional ordinances, rules, and personnel policies regarding ethics, provided that these are not in conflict with the provisions of this chapter.

\* \* \* Initial Ethics Training for In-Office Municipal Officers \* \* \*

#### Sec. 23. INITIAL ETHICS TRAINING FOR IN-OFFICE MUNICIPAL OFFICERS

On or before September 30, 2025, all municipal officers shall complete ethics training, which may be in person or online, as approved by the State Ethics Commission, unless they have otherwise completed ethics training pursuant to 24 V.S.A. § 1995 (ethics training). The State Ethics Commission shall require ethics training to be designed in a manner as to achieve improved competency in the subject matter rather than rely on fixed hours of training as a measure of completed training. The officer, the officer's employer, or another individual designated by the municipality shall document the officer's completed ethics training.

\* \* \* Effective Dates \* \* \*

#### Sec. 24. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 13 (adding 3 V.S.A. § 1230) shall take effect on July 1, 2025, Secs. 7 (amending 3 V.S.A. § 1221(a)), 8 (amending 3 V.S.A. § 1222), 9 (amending 3 V.S.A. § 1223), 10 (adding 3 V.S.A. § 1227), 11 (adding 3 V.S.A. § 1228), 12 (adding 3 V.S.A. § 1229), and 14 (adding 3 V.S.A. § 1231) shall take effect on September 1, 2025, and Sec. 1 (amending 17 V.S.A. § 2414) shall take effect on January 1, 2026.

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 a second time by title only, pursuant to Rule 43.

Thereupon, on motion of Senator Baruth, consideration was postponed until 1:45 P.M.

### **Senate Concurrent Resolution Adopted on the Part of the Senate**

On motion of Senator Baruth, the rules were suspended and the following Senate concurrent resolution was read and is as follows.

By Senators Ingalls, Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Vyhovsky, Watson, Weeks, Westman, White, Williams, and Wrenner,

**S.C.R. 18.** Senate concurrent resolution honoring Senator Robert A. Starr of Orleans District for his decades of distinguished public service.

*Whereas*, Bobby Starr has resided nearly all his life in the Village of North Troy and graduated from North Troy High School, and

*Whereas*, as a businessman, he is the president of the trucking company Starr's United Inc., but his true passion is public service, and

*Whereas*, in the Town of Troy, of which the Village of North Troy is a part, Bobby Starr has sat on the Zoning Board and Planning Commission, the School Board, and the Board of Civil Authority and has served as town moderator, and, regionally, he served as a member of the Orleans-Essex North Supervisory Union Board and for its successor, the North Country Supervisory Union, as moderator, and

*Whereas*, his initial election as the House member from Troy occurred in 1978, and the 2004 election sent him across the State House hallway to become one of the two senators representing the Orleans District, and

*Whereas*, as a legislator, Robert Starr has been focused on Vermont's crucial agriculture sector, especially dairy farming, and his leadership has included long tenures ably chairing the House (1985–2000) and the Senate (2013–2024) Committees on Agriculture; and, in the policy arena, he chaired the Senate Committee on Education (2009–2012), and

*Whereas*, Bobby Starr was instrumental in the establishment of the Northeast Interstate Compact for Dairy Pricing, an organization designed to facilitate an economically viable base price for the region's dairy farmers' milk; and, on the lighter side, his teams frequently won the interbranch legislative milking competition at the Vermont Farm Show, and

*Whereas*, continuing Vermont's agricultural heritage through the preservation of the State's farmland has always been of great importance to Senator Robert Starr, and he has actively supported the Current Use Program, which was originally enacted in 1978, and has led the efforts to improve and update the legislation, and

*Whereas*, as a Vermont Technical College alumnus and State College trustee, Senator Robert Starr was a strong advocate for the school's educational programs related to agriculture and those students studying agriculture, and

*Whereas*, in 2024, Robert Starr is concluding an illustrious four and a half decades as an Orleans District member of the General Assembly, *now therefore be it*

***Resolved by the Senate and House of Representatives:***

That the General Assembly honors Senator Robert A. Starr of Orleans District for his decades of distinguished public service, *and be it further*

***Resolved:*** That the Secretary of State be directed to send a copy of this resolution to Senator Robert Starr.

Thereupon, the pending question, Shall the concurrent resolution be adopted on the part of the Senate?, was agreed to on a roll call, Yeas 27, Nays 0.

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, Brock, Champion, Clarkson, Collamore, Cummings, 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.

**Those Senators absent and not voting were:** Chittenden, Gulick.

**Rules Suspended; Bills Messaged**

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

**H. 81, H. 279, H. 503, H. 630, H. 657, H. 704, H. 780, H. 867, H. 881, H. 886, J.R.S. 44.**

**Rules Suspended; Action Messaged**

On motion of Senator Baruth, the rules were suspended, and the action on the following bill was ordered messaged to the House forthwith:

**S. 98.**

**Committee of Conference Appointed**

**H. 534.**

An act relating to retail theft.

Was taken up.

Pursuant to the request of the House, the President announced the appointment of:

Senator Baruth  
Senator Sears  
Senator Norris

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

**Committee of Conference Appointed**

**S. 58.**

An act relating to public safety.

Was taken up.

Pursuant to the request of the House, the President announced the appointment of:

Senator Sears  
Senator Hashim  
Senator Norris

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

**Adjourned**

On motion of Senator Baruth the Senate adjourned until 1:45 P.M.



**Called to Order**

The Senate was called to order by the President.

**Message from the House No. 73**

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 proposal of amendment to Senate bill of the following title:

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

And has concurred therein.

**Consideration Resumed; Proposal of Amendment; Third Reading Ordered;****H. 875.**

Consideration was resumed on House bill entitled:

An act relating to the State Ethics Commission and the State Code of Ethics.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Government Operations?, Senator Hardy moved that the proposal of amendment recommended by the Committee on Government Operations be amended as follows:

First: In Sec. 1, 17 V.S.A. § 2414, in subsection (a), by striking out subdivision (6) in its entirety and inserting in lieu thereof a new subdivision (6) to read:

(6) a generalized description, but not amount, to the best of the candidate's knowledge, of the following investments held by a candidate or the candidate's spouse or domestic partner:

(A) individual stock holdings valued at \$25,000.00 or more, which a candidate exercises control over or has the ability to buy or sell, which shall be listed individually;

(B) interests in investment funds valued at \$25,000.00 or more that a candidate or the candidate's spouse or domestic partner has the ability to exercise control over the composition of assets within a fund, which shall be listed individually;

(C) interests in virtual currencies, as defined in 8 V.S.A. § 2500, valued at \$25,000.00 or more, which shall be listed individually;

(D) interests in trusts valued at \$25,000.00 or more, which shall be listed individually;

(E) municipal or State bonds issued in the State of Vermont valued at \$25,000.00 or more, which shall be listed individually; and

(F) the details of any loan valued at \$10,000.00 or more, made to the candidate or the candidate's spouse that is not a commercially reasonable loan made in the ordinary course of business; and

Second: In Sec. 1, 17 V.S.A. § 2414, in subdivision (e), by striking out subdivisions (6) and (7) in their entirety and inserting in lieu thereof a new subdivision (6) to read:

(6) "Investment fund" means a widely held investment fund that is publicly traded or available, including a mutual fund, regulated investment company, common trust fund maintained by a bank or similar financial institution, pension or deferred compensation plan, and any other pooled investment fund.

Third: In Sec. 2, 3 V.S.A. § 1201, by striking out subdivisions (11) and (18) in their entirety and inserting in lieu thereof a new subdivision (11) to read:

(11) "Investment fund" means a widely held investment fund that is publicly traded or available, including a mutual fund, regulated investment company, common trust fund maintained by a bank or similar financial institution, pension or deferred compensation plan, and any other pooled investment fund.

Fourth: In Sec. 5, 3 V.S.A. § 1211, in subsection (a), by striking out subdivision (6) in its entirety and inserting in lieu thereof a new subdivision (6) to read:

(6) a generalized description, but not amount, to the best of the candidate's knowledge, of the following investments held by a candidate or the candidate's spouse or domestic partner:

(A) individual stock holdings valued at \$25,000.00 or more, which a candidate exercises control over or has the ability to buy or sell, which shall be listed individually;

(B) interests in investment funds valued at \$25,000.00 or more that a candidate or the candidate's spouse or domestic partner has the ability to exercise control over the composition of assets within a fund, which shall be listed individually;

(C) interests in virtual currencies, as defined in 8 V.S.A. § 2500, valued at \$25,000.00 or more, which shall be listed individually;

(D) interests in trusts valued at \$25,000.00 or more, which shall be listed individually;

(E) municipal or State bonds issued in the State of Vermont of valued at \$25,000.00 or more, which shall be listed individually; and

(F) the details of any loan valued at \$10,000.00 or more, made to the candidate or the candidate's spouse that is not a commercially reasonable loan made in the ordinary course of business; and

Fifth: In Sec. 22, 24 V.S.A. chapter 60, in 24 V.S.A. § 1991 by striking subdivision (13) in its entirety and inserting in lieu thereof:

(13) "Municipality" means any town, village, or city.

Sixth: In Sec. 22, 24 V.S.A. chapter 60, by striking out in its entirety 24 V.S.A. § 1997, enforcement and remedies

Seventh: By adding a new section to be Sec. 22a to read as follows:

Sec. 22a. 24 V.S.A. § 1997 is added to read:

§ 1997. ENFORCEMENT AND REMEDIES

Each municipality shall adopt, by ordinance, rule, or personnel policy, procedures for the investigation of complaints that allege a municipal officer has violated the Municipal Code of Ethics and the enforcement in instances of substantiated complaints, including methods of enforcement and available remedies.

Eighth: In Sec. 23, initial ethics training for in-office municipal officers, after "On or before September 30, 2025, all" by striking out the words "municipal officers" and inserting in lieu thereof members of legislative bodies and quasi-judicial bodies, chief administrative officers, mayors, town and city managers

Ninth: By striking out Sec. 24, effective dates, in its entirety and inserting a new Sec. 24 in lieu thereof to read as follows:

**Sec. 24. EFFECTIVE DATES**

This act shall take effect on passage, except that Sec. 13 (adding 3 V.S.A. § 1230) shall take effect on July 1, 2025, Sec. 22 shall take effect on January 1, 2025, Secs. 7 (amending 3 V.S.A. § 1221(a)), 8 (amending 3 V.S.A. § 1222), 9 (amending 3 V.S.A. § 1223), 10 (adding 3 V.S.A. § 1227), 11 (adding 3 V.S.A. § 1228), 12 (adding 3 V.S.A. § 1229), and 14 (adding 3 V.S.A. § 1231) shall take effect on September 1, 2025, and Sec. 1 (amending 17 V.S.A. § 2414) shall take effect on January 1, 2026.

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 Government Operations, as amended?, was agreed to, on a roll call, Yeas 19, Nays 10.

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, \*Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Vyhovsky, Watson, White, Wrenner.

**Those Senators who voted in the negative were:** \*Brock, Campion, Collamore, Ingalls, Norris, Sears, Starr, Weeks, Westman, Williams.

\*Senator Brock explained his vote as follows:

“I believe strongly in ethical oversight, but this bill is confusing, duplicative, intrusive and not intuitive.”

\*Senator Chittenden explained his vote as follows:

“To be a public official, ones life must be public.”

Thereupon, third reading of the bill was ordered.

**Recess**

On motion of Senator Baruth the Senate recessed until 5:00 P.M.

**Called to Order**

The Senate was called to order by the President.

**Report of Committee of Conference Accepted and Adopted on the Part of the Senate****H. 868.**

Senator Perchlik, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposals of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Transportation Program Adopted as Amended; Definitions \* \* \*

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) 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 “MBUF” 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 \$56,170,225.00 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.

(A) This act authorizes \$1,100,000.00 of federal Carbon Reduction funds in the Environmental Policy and Sustainability program in fiscal year 2025 for the Agency of Transportation's Central Garage for fleet electrification.

(B) 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).

(A) 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.

(B) This act also authorizes \$1,700,000.00 to be distributed to the Agency of Commerce and Community Development in fiscal year 2025 for grants to increase Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings, or both.

(8) Vehicle incentive programs and expansion of the PEV market. Incentive Program for New PEVs, MileageSmart, Replace Your Ride, and Electrify Your Fleet. It is estimated that prior appropriations of approximately



the following amounts will be available for the State's vehicle incentive programs 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. 3. 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 Agency facilities or replacing heating equipment that has reached the end of its useful lifespan, the Agency shall prioritize switching to high-efficiency, advanced heating systems.

(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.

\* \* \* Public Transit; Carbon Reduction Program;  
Environmental Policy and Sustainability Program; Central Garage;  
Electric Vehicle Supply Equipment (EVSE) \* \* \*

Sec. 4. PUBLIC TRANSIT; CARBON REDUCTION PROGRAM;  
ENVIRONMENTAL POLICY AND SUSTAINABILITY  
PROGRAM; CENTRAL GARAGE; ELECTRIC VEHICLE SUPPLY  
EQUIPMENT (EVSE)

(a) Public Transit.

(1) Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Public Transit, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	4,612,631	4,612,631	0
Operat. Exp.	119,894	119,894	0
Grants	51,907,700	50,807,700	-1,100,000
Total	56,640,225	55,540,225	-1,100,000

Sources of funds

State	9,807,525	9,807,525	0
Federal	46,692,700	45,592,700	-1,100,000
Interdept.	140,000	140,000	0
Total	56,640,225	55,540,225	-1,100,000

(2) The amendment set forth in subdivision (1) of this subsection shall be reflected in a \$1,100,000.00 reduction of Carbon Reduction Funding for the Capital-CRF CRFP (24) (for Capital Support for E-Vehicles), from \$4,000,000.00 to \$2,900,000.00.

(b) Environmental Policy and Sustainability Program.

(1) Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for the Environmental Policy and Sustainability Program, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	6,953,362	6,953,362	0
Operat. Exp.	76,411	1,176,411	1,100,000
Grants	1,480,000	1,480,000	0
Total	8,509,773	9,609,773	1,100,000

Sources of funds

State	531,909	531,909	0
Federal	6,800,327	7,900,327	1,100,000
Local	1,177,537	1,177,537	0
Total	8,509,773	9,609,773	1,100,000

(2) Of the funds authorized by this subsection, the Environmental Policy and Sustainability Program, in consultation with Central Garage, shall spend \$1,100,000.00 for electrification of the Central Garage fleet.

(c) Central Garage. Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for the Central Garage, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	5,480,920	5,480,920	0
Operat. Exp.	19,170,315	18,070,315	-1,100,000
Total	24,651,235	23,551,235	-1,100,000
<u>Sources of funds</u>			
Int. Svc.	24,651,235	23,551,235	-1,100,000
Total	24,651,235	23,551,235	-1,100,000

(d) Electric vehicle supply equipment (EVSE). Notwithstanding of 19 V.S.A. § 11a or any other provision of law to the contrary, the Agency shall distribute \$1,700,000.00 in one-time Transportation Fund monies to the Agency of Commerce and Community Development for the purpose of providing grants to increase Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings, or both, as those terms are defined in 2022 Acts and Resolves No. 185, Sec. E.903.

\* \* \* Highway Maintenance \* \* \*

#### Sec. 5. HIGHWAY MAINTENANCE

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	63,680,546	-2,160,000
Total	108,598,497	106,438,497	-2,160,000
<u>Sources of funds</u>			
State	107,566,483	105,406,483	-2,160,000
Federal	932,014	932,014	0
Inter Unit	100,000	100,000	0
Total	108,598,497	106,438,497	-2,160,000

\* \* \* Maintenance Program; Central Garage; Restoration  
of Appropriations \* \* \*

Sec. 6. MAINTENANCE PROGRAM; CENTRAL GARAGE;  
RESTORATION OF APPROPRIATIONS

Restoring the fiscal year 2025 Maintenance Program and Central Garage appropriations and authorizations to the levels included in the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program shall be the top fiscal priorities 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 \$3,260,000.00 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, with up to \$2,160,000.00 directed to Maintenance and up to \$1,100,000.00 directed to the Central Garage, 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. 9(c) of this act, then the one-time Transportation Fund monies authorized for expenditure pursuant to Sec. 9(b) of this act that are not required for public transit may instead go towards restoring the Maintenance and Central Garage appropriations.

(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 \$2,160,000.00 in Transportation Fund monies and, within the Agency's Proposed Fiscal Year 2025 Transportation Program for the Central Garage, authorized spending is further amended to increase operating expenses by not more than \$1,100,000.00 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 and the Central Garage through the State fiscal year 2025 budget adjustment act.

\*\*\* Town Highway Aid \*\*\*

Sec. 7. 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

Sources of funds

State	28,672,753	29,532,753	860,000
Total	28,672,753	29,532,753	860,000

\*\*\* Town Highway Structures \*\*\*

Sec. 8. TOWN HIGHWAY STRUCTURES MONIES

(a) Within the Agency of Transportation’s Proposed Fiscal Year 2025 Transportation Program for Town Highway Structures, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	7,416,000	8,016,000	600,000
Total	7,416,000	8,016,000	600,000

Sources of funds

State	7,416,000	8,016,000	600,000
Total	7,416,000	8,016,000	600,000

(b) In State fiscal year 2025, the Agency shall approve qualifying projects with a total estimated State share cost that is at least \$600,000.00 more than the minimum set forth in 19 V.S.A. § 306(e)(2).

\*\*\* One-Time Public Transit Monies \*\*\*

Sec. 9. 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	630,000	630,000
Total	0	630,000	630,000
<u>Sources of funds</u>			
State	0	630,000	630,000
Total	0	630,000	630,000

(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.

\* \* \* eBike Incentives; Public Transit Programs; Authorization \* \* \*

#### Sec. 10. ONE-TIME EBIKE INCENTIVE PROGRAM MONIES

(a) The definitions in 19 V.S.A. § 2901 shall apply to this section.

(b) In fiscal year 2025, the Agency is authorized to spend up to \$70,000.00 in one-time Transportation Fund monies to provide incentives under the eBike Incentive Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 28, as amended by 2022 Acts and Resolves No. 184, Sec. 23.

\* \* \* Agency of Transportation Duties; Bonding \* \* \*

Sec. 11. 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. 12. 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~~ projects contained in the 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:

\* \* \*

### Sec. 13. PLAN FOR REPORTING DELAYS; REPORT

The Agency of Transportation shall file a written report containing a plan for how to provide sufficient notice when projects in the adopted Transportation Program are delayed to the House and Senate Committees on Transportation not later than December 15, 2024.

\* \* \* Appropriation Calculations \* \* \*

\* \* \* Central Garage Fund \* \* \*

### Sec. 14. 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. 15. 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. 16. 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. 17. 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. 18. 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. 19. 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. 20. 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. 21. 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. 22. 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. 23. 19 V.S.A. chapter 29 is amended to read:

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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. 24. 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.

Sec. 25. EVSE PLAN; REPORT

The Agency of Transportation, in consultation with the Agencies of Agriculture, Food and Markets and of Commerce and Community Development, shall prepare a written plan, which may incorporate other plans that have been prepared to secure federal funding under the National Electric Vehicle Infrastructure Formula Program, for how to fund and maintain the EVSE necessary for Vermont to meet that portion of the goals of the Comprehensive Energy Plan and the Vermont Climate Action Plan. The written plan shall be filed with the House and Senate Committees on Transportation not later than January 15, 2025.

Sec. 26. REGULATION OF EVSE; RECOMMENDATIONS; REPORT

On or before March 1, 2025, the Agency of Transportation, in consultation with the Agencies of Agriculture, Food and Markets and of Commerce and Community Development; the Department of Public Service; the Public Utility Commission; the Office of the Attorney General, Consumer Protection Division; Drive Electric Vermont; and EVSE industry participants, shall provide testimony to the House and Senate Committees on Transportation, and to other legislative committees upon request, regarding:

(1) what regulations, if any, should be placed on EVSE that is available to the public, both for EVSE that is owned and operated by an electric distribution utility and for EVSE that is not owned and operated by an electric distribution utility;

(2) how best to ensure that consumers are being charged accurately for the electricity they receive;

(3) how best to ensure that vendors are properly charging consumers for the electricity they receive and disclosing any additional costs that may apply; and

(4) any recommendations for legislative action to address State regulation of EVSE.

\* \* \* Beneficial Electrification Report \* \* \*

Sec. 27. 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. 28. 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. 29. 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. 30. 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. 31. 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. 32. 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.

\* \* \*

\* \* \* Sustainability of Vermont's Transportation System; Emissions  
Reductions \* \* \*

Sec. 33. 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. 34. 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.

\* \* \* Transportation Funding Study \* \* \*

Sec. 35. TRANSPORTATION FUNDING STUDY; CONSULTANT;  
REPORT

(a) The General Assembly finds:

(1) Vermont's transportation system is crucial to every resident, student, worker, visitor, and business located in Vermont; serves as the backbone of the economy; and is a critical component of Vermont's economic competitiveness.

(2) The State must continue to pursue an equitable transportation network in which communities have improved access to all modes of transportation, enhancing access to jobs, housing, and other services.

(3) In order to keep up with the maintenance, repair, and construction necessary to maintain the State's transportation infrastructure, additional State revenue needs to be raised in order to meet the nonfederal match for all federal monies for which Vermont is eligible and that is awarded to Vermont through competitive federal grants.

(4) Several public transit funding studies have been presented to the General Assembly, in 2015, 2021, and 2024, that highlight growing labor costs, changed ridership habits, a reduction in federal monies intended to minimize person-to-person contact during the COVID-19 pandemic, increased service needs, and an anticipated funding cliff just to maintain current levels of service and operation in State fiscal year 2026.

(5) Vermont will continue to contend with transportation funding shortfalls due to decreased motor fuel tax revenue, on both gasoline and diesel, due to increasing vehicle fuel efficiency and the continued adoption of plug-in electric vehicles.

(6) The Agency of Transportation is studying and seeking federal competitive grant funding to implement, possibly as early as July 1, 2025, a mileage-based user fee (MBUF) as a way to supplant lost motor fuel tax revenue from Vermonters who own a battery electric vehicle that is charged at home.

(7) While motor fuels represent a significant source of funding for the Transportation Fund, they are only one component of the State's overall transportation funding.

(8) In addition to an MBUF, the State must identify new and innovative funding and policy options needed to adequately maintain Vermont's transportation system and support future growth.

(b) The Agency of Transportation shall invest not more than \$100,000.00 to contract with an independent third-party consultant with expertise in transportation funding and finance.

(c) The consultant shall consider and evaluate issues related to transportation funding in order to identify mechanisms to sufficiently fund transportation projects and operations through appropriations by the General Assembly. Specifically, the consultant shall:

(1) evaluate current transportation funding in Vermont, taking into account the viability of existing revenue sources and funding distributions;

(2) consider future trends that will impact the multimodal transportation system, including inflation, safety needs, racial equity, electric vehicles, and climate change;

(3) consider new and innovative funding options and alternative solutions employed by other states;

(4) consider how an MBUF can, along with other new and traditional funding mechanisms, provide sustainable transportation funding; and

(5) provide a report of transportation revenue projection scenarios through 2030, including new sources.

(d) The Agency shall send to the House and Senate Committees on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance:

(1) on or before December 15, 2024, a written update of work performed and, if available, a draft of the final report; and

(2) on or before January 15, 2025, the final written report and recommendations required by this section.

\* \* \* Electric and Plug-In Hybrid Vehicles; EV Infrastructure Fee \* \* \*

Sec. 36. 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 programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both.

#### Sec. 37. 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. 38. 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 programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle

supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both.

Sec. 39. PROPOSED FISCAL YEAR 2026 TRANSPORTATION PROGRAM; EVSE CHARGING PORTS PROJECT

The Agency of Transportation's Proposed Fiscal Year 2026 Transportation Program shall include a project that provides the estimated fiscal year 2026 revenue from the EV infrastructure fee to the Agency of Commerce and Community Development for the purpose of providing grants to increase Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings, or both.

\* \* \* Central Garage; Authority to Purchase Real Property \* \* \*

Sec. 40. CENTRAL GARAGE; REAL PROPERTY; FACILITY DESIGN; AUTHORITY

(a)(1) 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.

(2) If the Secretary identifies real property other than the Berlin site described in subdivision (1) of this subsection on which the Secretary wishes to site a new Central Garage, the Secretary is authorized to use up to \$2,000,000.00 in Central Garage Fund reserve funds to purchase the property, but only after obtaining the specific prior approval of the Joint Transportation Oversight Committee to purchase the identified property.

(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 described in subdivision (a)(1) of this section or, following the Joint Transportation Oversight Committee's approval as set forth in subdivision (a)(2) of this section, on another 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.

\* \* \* Railroad Leases \* \* \*

Sec. 41. 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.

\* \* \* Traffic Control Devices; Adoption of MUTCD Revisions \* \* \*

Sec. 42. 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.

\* \* \* MileageSmart; Income Eligibility \* \* \*

Sec. 43. 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.

(c) EV infrastructure fees. For the first year that a plug-in electric vehicle, as defined in 23 V.S.A. § 4(85), purchased through MileageSmart is subject to the EV infrastructure fee pursuant to 23 V.S.A. § 361(b) or (c), the amount of

the fee shall be an eligible expense under MileageSmart; provided, however, that this expense eligibility shall expire at such time as a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A), takes effect in Vermont.

(e)(d) Administrative costs. Up to 15 percent of any appropriations for MileageSmart may be used for any costs associated with administering and promoting MileageSmart.

(d)(e) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of MileageSmart so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available, and such costs shall be considered administrative costs for purposes of subsection (e)(d) of this section.

\* \* \* Effective Dates \* \* \*

#### Sec. 44. EFFECTIVE DATES

(a) This section and Secs. 9(e) (conditions for Green Mountain Transit one-time monies), 22 (transfer of monies between vehicle incentive programs in FY 2025), 40 (Central Garage; purchase of real property), and 41 (railroad leases; 5 V.S.A. § 3405) shall take effect on passage.

(b) Sec. 36 (EV infrastructure fee; 23 V.S.A. § 361) shall take effect on January 1, 2025.

(c) Sec. 38 (amendments to EV infrastructure fee; 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.

*ANDREW J. PERCHLIK  
THOMAS I. CHITTENDEN  
RUSSELL H. INGALLS*

*Committee on the part of the Senate*

*SARA E COFFEY  
CHARLES "BUTCH" H. SHAW  
TIMOTHY R. CORCORAN*

*Committee on the part of the House*

**Addendum to Report of Committee of Conference****H. 868.**

An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

In Sec. 29, 19 V.S.A. § 10n, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) Grant awards of not more than \$250,000.00 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.

*ANDREW J. PERCHLIK  
THOMAS I. CHITTENDEN  
RUSSELL H. INGALLS*

*Committee on the part of the Senate*

*SARA E COFFEY  
CHARLES "BUTCH" H. SHAW  
TIMOTHY R. CORCORAN*

*Committee on the part of the House*

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

**Message from the House No. 74**

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 of the following title:

**H. 121.** An act relating to enhancing consumer privacy.

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

**Rules Suspended; Bills on Notice Calendar for Immediate Consideration**

On motion of Senator Baruth, the rules were suspended, and the following bills, appearing on the Calendar for notice, were ordered to be brought up for immediate consideration:

**H. 888, H. 233**

**Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence****H. 888.**

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

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

Reported that the bill ought to pass in concurrence.

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

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

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

**Senator Clarkson Assumes the Chair****Proposal of Amendment; Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence with Proposal of Amendment****H. 233.**

Senator Gulick, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to licensure and regulation of pharmacy benefit managers.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 18 V.S.A. chapter 77, in section 3613, by striking out subdivision (b)(3) in its entirety and inserting in lieu thereof a new subdivision (b)(3) to read as follows:

(3)(A) In order to protect and promote patients' and consumers' interests in accordance with the Office's duties under chapter 229 of this title, the Office of the Health Care Advocate shall have the right to receive and review in full, including any exhibits, attachments, appendices, or other supplementary materials, all of the following:

(i) the preliminary report of any examination conducted by or on behalf of the Commissioner under this section;

(ii) the pharmacy benefit manager's submissions or rebuttals to the report, if any;

(iii) the final examination report adopted by the Commissioner;

and

(iv) the Commissioner's order adopting the final examination report.

(B) The Office of the Health Care Advocate shall not further disclose any confidential or proprietary information provided to the Office pursuant to this subdivision. Information provided to the Office pursuant to this subdivision (3) shall not be subject to subpoena and shall not be subject to discovery or admissible in evidence in any private civil action.

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

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Health and Welfare.

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

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

### **The President Resumes the Chair**

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Health and Welfare?, Senators Sears and Norris moved that the Senate propose to the House to amend the bill as follows:

First: In Sec. 1, 18 V.S.A. chapter 77, in section 3613, by striking out subsection (e) in its entirety

Second: By adding a new section to be Sec. 6a to read as follows:

Sec. 6a. DEPARTMENT OF FINANCIAL REGULATION; PRIVATE  
RIGHT OF ACTION; REPORT

On or before January 15, 2025, the Department of Financial Regulation shall report to the House Committees on Health Care and on Judiciary and the Senate Committees on Health and Welfare and on Judiciary whether the Department recommends enabling pharmacies, pharmacists, and other persons injured by a pharmacy benefit manager's violation of 18 V.S.A. chapter 77 to bring an action against the pharmacy benefit manager in Superior Court.

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 Health and Welfare, as amended?, was agreed to and third reading of the bill was ordered.

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

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

**Rules Suspended; Immediate Consideration; Proposal of Amendment;  
Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence  
with Proposal of Amendment**

**H. 877.**

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

An act relating to miscellaneous agricultural subjects.

Was taken up.

Senator Campion, for the Committee on Agriculture, to which the bill was referred reported recommending that the Senate propose to the House to amend the bill by striking out Sec. 10, effective date, and its reader assistance heading in their entirety and inserting in lieu thereof reader assistance headings and six new sections to be Secs. 10–15 to read as follows:

\* \* \* Animals at Large \* \* \*

Sec. 10. 24 V.S.A. § 2291 is amended to read:

§ 2291. ENUMERATION OF POWERS

For the purpose of promoting the public health, safety, welfare, and convenience, a town, city, or incorporated village shall have the following powers:

\* \* \*

(21) To regulate, by means of a civil ordinance adopted pursuant to chapter 59 of this title, subject to the limitations of 13 V.S.A. § 351b and the requirement of 13 V.S.A. § 354(a), and consistent with the rules adopted by the Secretary of Agriculture, Food and Markets, pursuant to 13 V.S.A. § 352b(a), the welfare of animals in the municipality. Such ordinance may be enforced by humane officers as defined in 13 V.S.A. § 351, if authorized to do so by the municipality.

\* \* \*

(30) To regulate by means of an ordinance adopted pursuant to chapter 59 of this title regarding the control of livestock running at large. As used in this subdivision:

(A) "Livestock" has the same meaning as in 6 V.S.A. § 761.

(B) "Livestock running at large" means any livestock found or being on any public land or public way, or land belonging to a person other than the owner of the livestock, without the landowner's permission.

(C) "Public way" has the same meaning as in section 2501a of this title.

Sec. 11. 20 V.S.A. chapter 191, subchapter 1 is amended to read:

#### Subchapter 1. General Provisions

##### § 3341. CATTLE, HORSES, SHEEP, GOATS, OR SWINE

A person who knowingly permits cattle, horses, sheep, goats, or swine to run at large in a public highway or yard belonging to a public building without the consent of the selectboard shall be fined by a law enforcement officer or by a municipal officer or employee not more than ~~\$10.00~~ \$100.00 nor less than ~~\$3.00~~ \$50.00 for each animal running at large.

##### § 3342. PUBLIC PARK, COMMON, OR GREEN

A person who permits cattle, horses, sheep, goats, or swine to run at large in a public park, common, or green without the consent of the selectboard shall be fined by a law enforcement officer or by a municipal officer or employee not more than ~~\$25.00~~ \$100.00 nor less than ~~\$5.00~~ \$50.00 for each animal running at large.

##### § 3343. YARD OF ~~TOWNHOUSE~~ MUNICIPAL BUILDING, CHURCH, OR SCHOOLHOUSE

A person who turns cattle, horses, sheep, goats, or swine into a yard ~~belonging to a townhouse~~ of a municipal building, church, or schoolhouse, which is properly enclosed, or knowingly permits them to run in such a yard, shall be fined by a law enforcement officer or by a municipal officer or employee not more than ~~\$10.00~~ \$100.00 nor less than ~~\$3.00~~ \$50.00 for each animal running at large.

##### § 3344. BURIAL GROUND

A person who knowingly turns cattle, horses, sheep, goats, or swine into a properly enclosed burial ground, or who knowingly permits them to run within a properly enclosed burial ground, shall be fined ~~\$25.00~~ by a law enforcement



officer or by a municipal officer or employee not more than \$100.00 nor less than \$50.00 for each animal running at large.

§ 3345. LAND OR PREMISES OF ANOTHER

A person who knowingly permits ~~his or her~~ the person's cattle, horses, sheep, goats, swine, or domestic fowls to go upon the lands or premises of another, after the latter has given the owner notice thereof, shall be fined by a law enforcement officer or by a municipal officer or employee not more than \$10.00 \$100.00 nor less than \$2.00 \$50.00 for each animal running at large. Such person shall also be liable for the damages suffered, which may be recovered in a civil action.

§ 3346. BULLS

The owner or keeper of a bull may be fined by a law enforcement officer or by a municipal officer or employee not more than \$100.00 nor less than \$50.00 if such bull is more than nine months old and found unattended outside the premises owned or occupied by the owner or keeper of such bull and shall be liable to a party damaged by such bull while outside the premises of such owner or keeper. The damages may be recovered in a civil action.

\* \* \*

\* \* \* Indirect Discharges in Class A Waters \* \* \*

Sec. 12. 10 V.S.A. § 1259(d) is amended to read:

(d) No person shall cause a discharge of wastes into ~~Class A waters~~ a Class A water classified as Class A before July 1, 2024, except for on-site disposal of sewage from systems with a capacity of 1,000 gallons per day (gpd), or less, that are either exempt from or comply with the ~~environmental protection rules permitting requirements of chapter 64 of this title~~, or existing systems, which shall require a permit according to the provisions of subsection 1263(f) of this title.

\* \* \* Hemp; Cannabis Regulation \* \* \*

Sec. 13. 6 V.S.A. § 562(4) is amended to read:

(4)(A) “Hemp products” or “hemp-infused products” means all products with the federally defined tetrahydrocannabinol concentration level for hemp derived from, or made by, processing hemp plants or plant parts, which are prepared in a form available for commercial sale, including cosmetics, personal care products, food intended for animal or human consumption, cloth, cordage, fiber, fuel, paint, paper, construction materials, plastics, and any product containing one or more hemp-derived cannabinoids, such as cannabidiol.

(B) Notwithstanding subdivision (A) of this subdivision (4), “hemp products” and “hemp-infused products” do not include any substance, manufacturing intermediary, or product that:

(i) is prohibited or deemed a regulated cannabis product by administrative rule of the Cannabis Control Board; or

(ii) contains more than 0.3 percent total tetrahydrocannabinol on a dry-weight basis.

(C) A hemp-derived product or substance that is excluded from the definition of “hemp products” or “hemp-infused products” pursuant to subdivision (B) of this subdivision (4) shall be considered a cannabis product as defined by 7 V.S.A. § 831(3); provided, however, that a person duly licensed or registered by the Cannabis Control Board lawfully may possess such products in conformity with the person’s license or hemp processor registration.

Sec. 14. 20 V.S.A. § 2730(b) is amended to read:

(b) The term “public building” does not include:

\* \* \*

(5) A building that is used in the outdoor cultivation of cannabis by a person licensed pursuant to 7 V.S.A. chapter 33 in accordance with such chapter and related rules with fewer than the equivalent of 10 full-time employees who are not family members and who do not work more than 26 weeks a year.

\* \* \* Effective Date \* \* \*

Sec. 15. 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.

Senator Bray, for the Committee on Natural Resources and Energy, 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 Agriculture with the following amendments thereto:

By striking out Sec. 12 (indirect discharges) and its reader assistance in their entireties and inserting in lieu thereof a new Sec. 12 to read as follows:

Sec. 12. [Deleted.]

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

Senator Bray, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committees on Agriculture and Natural Resources and Energy.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Agriculture was amended as recommended by the Committee on Natural Resources and Energy.

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

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

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

**Rules Suspended; Immediate Consideration; Third Reading Ordered,  
Rules Suspended; Bill Passed in Concurrence with Proposal of  
Amendment**

**H. 645.**

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

An act relating to the expansion of approaches to restorative justice.

Was taken up for immediate consideration.

Senator Vyhovsky, for the Committee on Judiciary, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 3 V.S.A. chapter 7 is amended to read:

CHAPTER 7. ATTORNEY GENERAL

Subchapter 1. Election; Authority; Duties

§ 151. ELECTION AND TERM

\* \* \*

Subchapter 2. Restorative Justice Approaches

§ 162a. DEFINITIONS

As used in this subchapter:

(1) “Child” has the same meaning as in 33 V.S.A. § 5102(2).

(2) “Criminal history records” has the same meaning as in 20 V.S.A. § 2056a(1).

(3) “Criminal justice purposes” has the same meaning as in 20 V.S.A. § 2056a(3).

(4) “Community referral” means a referral of an individual to a community-based restorative justice provider that does not involve criminal offenses or delinquencies for which probable cause exists.

(5) “Pre-charge diversion” means a referral of an individual to a community-based restorative justice provider by a law enforcement officer or prosecutor after the referring officer or prosecutor has determined that probable cause exists that the individual has committed a criminal offense and before the individual is criminally charged with the offense or before a petition is filed in family court for the offense. Pre-charge diversion shall not be construed to include a community referral.

(6) “Youth” has the same meaning as in 33 V.S.A. § 5102(29).

§ 163. JUVENILE COURT DIVERSION PROJECT PROGRAM

(a) Purpose.

(1) The Attorney General shall develop and administer a juvenile court diversion project program, for both pre-charge and post-charge referrals to youth-appropriate community-based restorative justice providers, for the purpose of assisting juveniles children or youth charged with delinquent acts. In consultation with the diversion programs, the Attorney General shall adopt a policies and procedures manual in compliance with this section.

(2) The program shall be designed to provide a restorative option for children or youth alleged to have caused harm in violation of a criminal statute or who have been charged with violating a criminal statute and subject to a delinquency or youthful offender petition filed with the Family Division of the Superior Court, as well as for victims or those acting on a victim’s behalf who have been allegedly harmed by the responsible party. The juvenile diversion program may accept referrals to the program as follows:

(A) Pre-charge by law enforcement or prosecutors where a child or youth has committed any criminal offense or delinquency and pursuant to a policy adopted in accordance with subdivisions (c)(1)–(2) of this section.

(B) Post-charge by prosecutors for children or youth charged with a first or a second misdemeanor or a first nonviolent felony, or other offenses as

the prosecutor deems appropriate, pursuant to subdivision (c)(3) of this section.

~~(b) The diversion program administered by the Attorney General shall support the operation of diversion programs in local communities through grants of financial assistance to, or by contracting for services with, municipalities, private groups, or other local organizations. The Attorney General may require local financial contributions as a condition of receipt of project funding.~~ Administration; report.

(1) Beginning on July 1, 2025, the Attorney General shall support the operation of diversion programs in each of the State's counties through grants of financial assistance to, or contracts for services with, a single municipality or organization to provide community-based restorative justice programs and services in each county. Upon approval of the Attorney General, the single municipality or organization receiving a grant pursuant to this section may issue subgrants to diversion providers or execute subcontracts for diversion services.

(2) The Juvenile Pre-Charge Diversion Program established pursuant to this section shall operate only to the extent funds are appropriated to the Office of the Attorney General, the Department of State's Attorneys and Sheriffs, and the Office of the Defender General to carry out the Program.

(3) In consultation with community-based restorative justice providers, the Office of the Attorney General shall develop program outcomes following the designated State of Vermont performance accountability framework and, in consultation with the Department of State's Attorneys and Sheriffs, the Office of the Defender General, the Center for Crime Victim Services, the Judiciary, and the Division of Racial Justice Statistics of the Office of Racial Equity, report annually on or before December 1 to the General Assembly on services provided and outcome indicators. As components of the report required by this subsection, the Attorney General shall include data on the number of pre-charge and post-charge diversion program referrals in each county; race, gender, age, and other demographic variables, whenever possible; offenses charged and crime types; successful completion rates; and possible causes of any geographical disparities.

(4) The Attorney General is authorized to accept grants and gifts for the purposes of this section, such acceptance being pursuant to 32 V.S.A. § 5.

(5) In consultation with community-based restorative justice providers, the Center for Crime Victims Services, the Department of State's Attorneys and Sheriffs' Victim Advocates, the Division for Racial Justice Statistics of the Office of Racial Equity, and the State Archivist, the Attorney General shall

adopt a policies and procedures manual for community-based restorative justice providers to promote a uniform system across the State in compliance with this section. The manual shall include policies and procedures related to:

(A) informing victims of their rights and role in pre-charge and post-charge diversion, including that such information is available in writing upon request;

(B) the timely notification to victims of a referral to pre- and post-charge diversion;

(C) an invitation to victims to engage in the restorative process;

(D) how to share information with a victim concerning a restorative agreement's conditions related to the victim and any progress made on such conditions;

(E) best practices for collecting data from all parties that engage with the pre-charge and post-charge diversion programs; and

(F) confidentiality expectations for all parties who engage in the restorative process.

~~(c) All diversion projects receiving financial assistance from the Attorney General shall adhere to the following provisions: Juvenile diversion program policy and referral requirements.~~

~~(1) The diversion project shall only accept persons against whom charges have been filed and the court has found probable cause but are not yet adjudicated.~~

~~(2) Alleged offenders shall be informed of their right to the advice and assistance of private counsel or the public defender at all stages of the diversion process, including the initial decision to participate, and the decision to accept the diversion contract, so that the candidate may give his or her informed consent.~~

~~(3) The participant shall be informed that his or her selection of the diversion contract is voluntary.~~

~~(4) Each State's Attorney, in cooperation with the Attorney General and the diversion program, shall develop clear criteria for deciding what types of offenses and offenders will be eligible for diversion; however, the State's Attorney shall retain final discretion over the referral of each case for diversion. The provisions of 33 V.S.A. § 5225(e) and § 5280(e) shall apply.~~

~~(5) All information gathered in the course of the diversion process shall be held strictly confidential and shall not be released without the participant's~~

~~prior consent (except that research and reports that do not require or establish the identity of individual participants are allowed).~~

~~(6) Information related to the present offense that is divulged during the diversion program shall not be used in the prosecutor's case. However, the fact of participation and success, or reasons for failure may become part of the prosecutor's records.~~

~~(7) The diversion project shall maintain sufficient records so that the reasons for success or failure of the program in particular cases and overall can be investigated by program staff.~~

~~(8) Diversion projects shall be set up to respect the rights of participants.~~

~~(9) Each participant shall pay a fee to the local juvenile court diversion project. The amount of the fee shall be determined by project officers based upon the financial capabilities of the participant. The fee shall not exceed \$150.00. The fee shall be a debt due from the participant, and payment of such shall be required for successful completion of the Program. Notwithstanding 32 V.S.A. § 502(a), fees collected under this subdivision shall be retained and used solely for the purpose of the Court Diversion Program.~~

Juvenile pre-charge diversion policy required. Each county's State's Attorney's office shall adopt a juvenile pre-charge diversion referral policy. To encourage fair and consistent juvenile pre-charge diversion referral policies and methods statewide, the Department of State's Attorneys and Sheriffs and the Community Justice Unit shall publicly post the policies adopted by each State's Attorney's office.

(2) Juvenile pre-charge diversion policy contents. A county's State's Attorney's juvenile pre-charge diversion program policy shall include the following:

(A) Criteria to determine whether a child or youth is eligible to participate in juvenile pre-charge diversion.

(B) Any appropriate documentation to accompany a referral to juvenile pre-charge diversion, including the name and contact information of the child or youth and the child or youth's parent or legal guardian; the name and contact information of the victim or victims; and a factual statement or affidavit of probable cause of the alleged incident.

(C) A procedure for returning a case to the law enforcement agency or the prosecutor, including when:

(i) the prosecutor withdraws any juvenile pre-charge referral from the juvenile pre-charge diversion program;

(ii) the community-based restorative justice provider determines that the matter is not appropriate for juvenile pre-charge programming; and

(iii) when a child or youth does not successfully complete juvenile pre-charge diversion programming.

(D) A statement reiterating that the State's Attorney retains final discretion over the cases that are eligible for diversion and may deviate from the adopted policy in accordance with such discretion.

(3) Juvenile post-charge diversion requirements. Each State's Attorney, in cooperation with the Office of the Attorney General and the juvenile post-charge diversion program, shall develop clear criteria for deciding what types of offenses and offenders will be eligible for diversion; however, the State's Attorney shall retain final discretion over the referral of each case for diversion. All juvenile post-charge diversion programs receiving financial assistance from the Attorney General shall adhere to the following:

(A) The juvenile post-charge diversion program for children or youth shall only accept individuals against whom a petition has been filed and the court has found probable cause, but are not adjudicated.

(B) A prosecutor may refer a child or youth to diversion either before or after a preliminary hearing and shall notify in writing to the diversion program and the court of the prosecutor's referral to diversion.

(C) If a child or youth is charged with a qualifying crime as defined in 13 V.S.A. § 7601(4)(A) and the crime is a misdemeanor, the prosecutor shall provide the child or youth with the opportunity to participate in the court diversion program unless the prosecutor states on the record at the preliminary hearing or a subsequent hearing why a referral to the post-charge program would not serve the ends of justice. Factors considered in the ends-of-justice determination include the child's or youth's delinquency record, the views of the alleged victim or victims, and the need for probationary supervision.

(D) Notwithstanding this subsection (c), the diversion program may accept cases pursuant to 33 V.S.A. §§ 5225(c) and 5280(e).

(d) The Attorney General is authorized to accept grants and gifts for the purposes of this section, such acceptance being pursuant to 32 V.S.A. § 5. Confidentiality.

(1) The matter shall become confidential when notice of a pre-charge referral is provided to the juvenile diversion program, or when notice of a post-charge referral is provided to the court.



(2) All information related to any offense gathered in the course of the juvenile diversion process shall be held strictly confidential and shall not be released without the participant's prior consent.

(3) Information related to any offense that a person divulges in preparation for, during, or as a follow-up to the provision of the juvenile diversion programming shall not be used against the person in any criminal, civil, family, juvenile, or administrative investigation, prosecution, or case for any purpose, including impeachment or cross-examination. However, the fact of participation and success, or reasons for failure, may become part of the prosecutor's records. This subsection shall not be construed to prohibit the limited disclosure or use of information to specific persons in the following circumstances:

(A) Where there is a threat or statement of a plan that a person may reasonably believe is likely to result in death or bodily injury to themselves or others or damage to the property of another person.

(B) When disclosure is necessary to report bodily harm any party causes another during restorative justice programming.

(C) When disclosure to other community-based restorative justice providers is necessary to facilitate coordination for an individual who has more than one active referral before different community justice providers.

(D) Where there is a reasonable suspicion of abuse or neglect of a child or vulnerable adult and a report is made pursuant to the provisions of 33 V.S.A. § 4914 or 33 V.S.A. § 6903 or to comply with any law.

(E) Where a court or administrative tribunal determines that the materials were submitted by a participant in the program for the purpose of avoiding discovery of the material in a court or administrative proceeding. If a participant wishes to avail themselves of this provision, the participant may disclose this information in camera to a judicial officer for the purposes of seeking such a ruling.

(4)(A) Notwithstanding subdivision (2) of this subsection (d), if law enforcement or the prosecutor refers a case to diversion, upon the victim's request, the juvenile diversion program shall provide information relating to the conditions of the diversion contract regarding the victim, progress made on such conditions, and information that assists with obtaining the victim's compensation.

(B) Victim information that is not part of the public record shall not be released without the victim's prior consent.

(C) Nothing in this section shall be construed to prohibit a victim's exercise of rights as otherwise provided by law.

(e) Rights and responsibilities.

~~(1) Within 30 days after the two-year anniversary of a successful completion of juvenile diversion, the court shall provide notice to all parties of record of the court's intention to order the expungement of all court files and records, law enforcement records other than entries in the juvenile court diversion program's centralized filing system, fingerprints, and photographs applicable to the proceeding. However, the court shall not order expungement if the participant does not satisfy each of subdivisions (A) (D) of this subdivision. The court shall give the State's Attorney an opportunity for a hearing to contest the expungement of the records. The court shall expunge the records if it finds:~~

~~(A) two years have elapsed since the successful completion of juvenile diversion by the participant;~~

~~(B) the participant has not been convicted of a subsequent felony or misdemeanor during the two-year period, and no proceedings are pending seeking such conviction;~~

~~(C) rehabilitation of the participant has been attained to the satisfaction of the court; and~~

~~(D) the participant does not owe restitution related to the case. Juvenile court diversion programs shall be set up to respect the rights of participants.~~

~~(2) The court may expunge any records that were sealed pursuant to this subsection prior to July 1, 2018 unless the State's Attorney's office that prosecuted the case objects. Thirty days prior to expunging a record pursuant to this subdivision, the court shall provide written notice of its intent to expunge the record to the State's Attorney's office that prosecuted the case.~~

(A) Diversion candidates shall be informed of their right to the advice, assistance, and access to private counsel or the public defender at all stages of the diversion process, including the initial decision to participate and the decision to accept the juvenile diversion contract, so that the candidate may give informed consent.

(B) For the pre-charge diversion program, notwithstanding the financial need determination pursuant to 13 V.S.A. § 5236, the diversion program shall inform the candidate that a public defender is available for consultation at public expense upon the request of the candidate.

(C) The candidate shall be informed that participation in the diversion program is voluntary.

~~(3)(A) The court shall keep a special index of cases that have been expunged pursuant to this section together with the expungement order. The index shall list only the name of the person convicted of the offense, his or her date of birth, the docket number, and the criminal offense that was the subject of the expungement.~~

~~(B) The special index and related documents specified in subdivision (A) of this subdivision (3) shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.~~

~~(C) Inspection of the expungement order and the certificate may be permitted only upon petition by the person who is the subject of the case. The Chief Superior Judge may permit special access to the index and the documents for research purposes pursuant to the rules for public access to court records.~~

~~(D) The Court Administrator shall establish policies for implementing this subsection (e). Any victims shall be notified of the victim's rights and role in the pre-charge diversion process, including notification of a candidate's referral to the pre-charge diversion program by the pre-charge diversion program.~~

~~(f) Except as otherwise provided in this section, upon the entry of an order expunging files and records under this section, the proceedings in the matter shall be considered never to have occurred, all index references thereto shall be deleted, and the participant, the court, and law enforcement officers and departments shall reply to any request for information that no record exists with respect to such participant inquiry in any matter. Copies of the order shall be sent to each agency or official named therein. Records; deletion and expungement.~~

~~(1) Pre-charge diversion records deletion.~~

~~(A) Not later than 10 days after the successful completion of the pre-charge diversion program, the juvenile diversion program shall notify the victim, law enforcement agency, and the State's Attorney's office of the participant's successful completion. Payment of restitution is required for successful completion.~~

~~(B) Within 30 days after the two-year anniversary notifying the State's Attorney's office of the participant's successful completion, the Attorney General shall provide notice that all records held by the diversion program shall be deleted.~~

~~(C) Within 30 days after the two-year anniversary notifying the law enforcement agency and the State's Attorney's office of the participant's~~

successful completion, the Attorney General shall provide notice that all records held by the law enforcement agency and the State's Attorney's office shall be deleted, including any held by the Attorney General. Criminal history records maintained on the Valcour database or other similar nonpublic law enforcement databases are exempt from deletion and shall only be used for criminal justice purposes.

(2) Pre-charge diversion case index.

(A) The Community Justice Unit shall keep a special index of pre-charge diversion cases that have been deleted pursuant to this section together with the notice of deletion provided by the Attorney General. The index shall list only the name of the diversion participant, the individual's date of birth, a case number, date of case closure, location of programming, and the offense that was the subject of the deletion.

(B) The special index and related documents specified in subdivision (A) of this subdivision (2) shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.

(C) Inspection of the notice may be permitted only upon request by the person who is the subject of the case. The Attorney General may permit special access to the index and the documents for research purposes pursuant to subdivision (g)(2) of this section.

(D) The Community Justice Unit shall establish policies for implementing subsections (1)–(4) of this subsection (f).

(3) Effect of Deletion. Except as otherwise provided in this section, upon the notice to delete files and records under this section, the matter shall be considered never to have occurred; all index references thereto shall be deleted; and the participant, the Community Justice Unit, law enforcement officers and departments, prosecutors, the referring entity, and the diversion program shall reply to any request for information that no record exists with respect to such participant inquiry in any matter. Copies of the notice shall be sent to each agency, entity, or official named therein.

(4) Deletion Applicability. The process of automatically deleting records as provided in this section shall only apply to those persons who completed pre-charge diversion on or after July 1, 2025.

(5) Post-charge diversion records expungement. Within 30 days after the two-year anniversary of a successful completion of post-charge diversion, the court shall provide notice to all parties of record of the court's intention to order the expungement of all court files and records, law enforcement records, fingerprints, and photographs other than entries in the court diversion

program's centralized filing system applicable to the proceeding. However, the court shall not order expungement if the participant does not satisfy each of subdivisions (A)–(C) of this subdivision. The court shall give the State's Attorney an opportunity for a hearing to contest the expungement of the records. The court shall expunge the records if it finds:

(A) two years have elapsed since the successful completion of the juvenile post-charge diversion program by the participant;

(B) the participant has not been convicted of a subsequent felony or misdemeanor during the two-year period, and no proceedings are pending seeking such conviction; and

(C) the participant does not owe restitution related to the case.

(6) Expungement of sealed records. The court may expunge any records that were sealed pursuant to this subsection prior to July 1, 2018 unless the State's Attorney's office that prosecuted the case objects. Thirty days prior to expunging a record pursuant to this subdivision, the court shall provide written notice of its intent to expunge the record to the State's Attorney's office that prosecuted the case.

(7) Post-charge diversion case index.

(A) The court and the Office of the Attorney General shall keep a special index of post-charge diversion cases that have been expunged pursuant to this section together with the expungement order. The index shall list only the name of the person convicted of the offense, the person's date of birth, the docket number, date of case closure, the court of jurisdiction, and the offense that was the subject of the expungement.

(B) The special index and related documents specified in subdivision (A) of this subdivision (7) shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.

(C) Inspection of the expungement order and the certificate may be permitted only upon petition by the person who is the subject of the case. The Chief Superior Judge may permit special access to the index and the documents for research purposes pursuant to the rules for public access to court records.

(D) The Court Administrator shall establish policies for implementing subdivisions (5)–(9) of this subsection (f).

(8) Effect of Expungement. Except as otherwise provided in this section, upon the entry of an order expunging files and records under this section, the proceedings in the matter shall be considered never to have

occurred; all index references thereto shall be deleted; and the participant, the court, law enforcement officers and departments, prosecutors, the referring entity, and the diversion program shall reply to any request for information that no record exists with respect to such participant inquiry in any matter. Copies of the order shall be sent to each agency, entity, or official named therein.

(9) Expungement Applicability. The process of automatically expunging records as provided in this section shall only apply to those persons who completed diversion on or after July 1, 2002. Any person who completed diversion prior to July 1, 2002 must apply to the court to have the person's records expunged. Expungement shall occur if the requirements of subdivisions (5)–(8) of this subsection (f) are met.

~~(g) The process of automatically expunging records as provided in this section shall only apply to those persons who completed diversion on or after July 1, 2002. Any person who completed diversion prior to July 1, 2002 must apply to the court to have his or her records expunged. Expungement shall occur if the requirements of subsection (e) of this section are met.~~

~~(h) Subject to the approval of the Attorney General, the Vermont Association of Court Diversion Programs may develop and administer programs to assist persons under this section charged with delinquent, criminal, and civil offenses~~

~~(i) Notwithstanding subdivision (c)(1) of this section, the diversion program may accept cases from the Youth Substance Awareness Safety Program pursuant to 7 V.S.A. § 656 or 18 V.S.A. § 4230b. The confidentiality provisions of this section shall become effective when a notice of violation is issued under 7 V.S.A. § 656(b) or 18 V.S.A. § 4230b(b) and shall remain in effect unless the person fails to register with or complete the Youth Substance Awareness Safety Program.~~

~~(j) Notwithstanding subdivision (c)(1) of this section, the diversion program may accept cases pursuant to 33 V.S.A. §§ 5225–5280. Public records act exemption.~~

(1) Except as otherwise provided by this section, any records or information produced or acquired pursuant to this section shall be exempt from public inspection or copying under Vermont's Public Records Act.

(2) Notwithstanding subdivision (1) of this subsection, a law enforcement agency, State's Attorney's office, court, or community-based restorative justice provider may disclose information to colleges, universities, public agencies of the State, and nonprofit research organizations that a community-based restorative justice provider has agreements with for use in

connection with research projects of a public service nature, but no person associated with those institutions or agencies shall disclose that information in any manner that would reveal the identity of an individual who provided the information to the community-based restorative justice provider.

§ 164. ADULT COURT DIVERSION PROGRAM

(a) Purpose.

(1) The Attorney General shall develop and administer an adult court diversion program, for both pre-charge and post-charge referrals, in all counties. In consultation with diversion programs, the Attorney General shall adopt a policies and procedures manual in compliance with this section.

(2) The program shall be designed to provide a restorative option for persons alleged to have caused harm in violation of a criminal statute or who have been charged with violating a criminal statute as well as for victims or those acting on a victim's behalf who have been allegedly harmed by the responsible party. The diversion program can accept referrals to the program as follows:

(A) Pre-charge by law enforcement or prosecutors pursuant to a policy adopted in accordance with subdivisions (c)(1)–(2) of this section.

(B) Post-charge by prosecutors for persons charged with a first or a second misdemeanor or a first nonviolent felony, or other offenses as the prosecutor deems appropriate, pursuant to subdivision (c)(3) of this section.

(C) Post-charge by prosecutors of persons who have been charged with an offense and who have substance abuse or mental health treatment needs regardless of the person's prior criminal history record, except a person charged with a felony offense that is a crime listed in 13 V.S.A. § 5301(7) shall not be eligible under this section. Persons who have attained 18 years of age who are subject to a petition in the Family Division pursuant to 33 V.S.A. chapter 52 or 52A shall also be eligible under this section. Programming for these persons is intended to support access to appropriate treatment or other resources with the aim of improving the person's health and reducing future adverse involvement in the justice system.

(b) The program shall be designed for two purposes: Administration; report.

(1) To assist adults who have been charged with a first or a second misdemeanor or a first nonviolent felony. Beginning on July 1, 2025, the Attorney General shall support the operation of diversion programs in each of the State's counties through grants of financial assistance to, or contracts for services with, a single municipality or organization to provide community-

based restorative justice programs and services in each county. Upon approval of the Attorney General, the single municipality or organization receiving a grant pursuant to this section may issue subgrants to diversion providers or execute subcontracts for diversion services.

~~(2) To assist persons who have been charged with an offense and who have substance abuse or mental health treatment needs regardless of the person's prior criminal history record, except a person charged with a felony offense that is a crime listed in 13 V.S.A. § 5301(7) shall not be eligible under this section. Persons who have attained 18 years of age who are subject to a petition in the Family Division pursuant to 33 V.S.A. chapters 52 or 52A shall also be eligible under this section. Programming for these persons is intended to support access to appropriate treatment or other resources with the aim of improving the person's health and reducing future adverse involvement in the justice system. The Adult Pre-Charge Diversion Program established pursuant to this section shall operate only to the extent funds are appropriated to the Office of the Attorney General, the Department of State's Attorneys and Sheriffs, and the Office of the Defender General to carry out the Program.~~

(3) In consultation with community-based restorative justice providers, the Office of the Attorney General shall develop program outcomes following the designated State of Vermont performance accountability framework and, in consultation with the Department of State's Attorneys and Sheriffs, the Office of the Defender General, the Center for Crime Victim Services, the Judiciary, and the Division of Racial Justice Statistics of the Office of Racial Equity, report annually on or before December 1 to the General Assembly on services provided and outcome indicators. As components of the report required by this subsection, the Attorney General shall include data on the number of pre-charge and post-charge diversion program referrals in each county; race, gender, age, and other demographic variables, whenever possible; offenses charged and crime types; successful completion rates; and possible causes of any geographical disparities.

(4) The Attorney General is authorized to accept grants and gifts for the purposes of this section, such acceptance being pursuant to 32 V.S.A. § 5.

(5) In consultation with community-based restorative justice providers, the Center for Crime Victims Services, the Department of State's Attorneys and Sheriffs' Victim Advocates, the Division for Racial Justice Statistics of the Office of Racial Equity, and the State Archivist, the Attorney General shall adopt a policies and procedures manual for community-based restorative justice providers to promote a uniform system across the State in compliance with this section. The manual shall include the following policies and procedures related to:



(A) informing victims of their rights and role in pre-charge and post-charge diversion, including that such information is available in writing upon request;

(B) the timely notification victims of a referral to pre-charge and post-charge diversion;

(C) an invitation to victims to engage in the restorative process;

(D) how to share information with a victim concerning a restorative agreement's conditions related to the victim and any progress made on such conditions;

(E) best practices for collecting data from all parties that engage with the pre-charge and post-charge diversion programs; and

(F) confidentiality expectations for all parties who engage in the restorative process.

(c) The program shall support the operation of diversion programs in local communities through grants of financial assistance to, or contracts for services with, municipalities, private groups, or other local organizations. The Attorney General may require local financial contributions as a condition of receipt of program funding. Adult diversion program policy and referral requirements.

(1) Adult pre-charge diversion policy required. Each State's Attorney's office shall adopt an adult pre-charge diversion referral policy. To encourage fair and consistent pre-charge and post-charge diversion referral policies and methods statewide, the Department of State's Attorneys and Sheriffs and the Community Justice Unit shall publicly post the policies adopted by each State's Attorney's office.

(2) Adult pre-charge diversion policy contents. A county's State's Attorney's pre-charge diversion program policy shall include the following:

(A) Criteria to determine whether a responsible party is eligible to participate in pre-charge diversion;

(B) Any appropriate documentation to accompany a referral to pre-charge diversion, including the name and contact information of the responsible party, the name and contact information of the victim or victims, and a factual statement or affidavit of probable cause of the alleged offense;

(C) a procedure for returning a case to the law enforcement agency or the prosecutor, including when:

(i) the prosecutor withdraws a pre-charge referral from the diversion program;

(ii) the community-based restorative justice provider determines that the matter is not appropriate for pre-charge programming; and

(iii) a person does not successfully complete pre-charge diversion programming; and

(D) a statement reiterating that the State's Attorney retains final discretion over the cases that are eligible for diversion and may deviate from the adopted policy in accordance with such discretion.

(3) Adult post-charge diversion requirements. Each State's Attorney, in cooperation with the Office of the Attorney General and the adult post-charge diversion program, shall develop clear criteria for deciding what types of offenses and offenders will be eligible for diversion; however, the State's Attorney shall retain final discretion over the referral of each case for diversion. All adult post-charge diversion programs receiving financial assistance from the Attorney General shall adhere to the following:

(A) The post-charge diversion program for adults shall only accept person against whom charges have been filed and the court has found probable cause, but are not adjudicated.

(B) A prosecutor may refer a person to diversion either before or after arraignment and shall notify in writing the diversion program and the court of the prosecutor's of the referral to diversion.

(C) If a person is charged with a qualifying crime as defined in 13 V.S.A. § 7601(4)(A) and the crime is a misdemeanor, the prosecutor shall provide the person with the opportunity to participate in the court diversion program unless the prosecutor states on the record at arraignment or a subsequent hearing why a referral to the post-charge program would not serve the ends of justice. Factors considered in the ends-of-justice determination include the person's criminal record, the views of any victims, or the need for probationary supervision.

(D) Notwithstanding this subsection (c), the diversion program may accept cases pursuant to 33 V.S.A. §§ 5225 and 5280.

~~(d) The Office of the Attorney General shall develop program outcomes following the designated State of Vermont performance accountability framework and, in consultation with the Department of State's Attorneys and Sheriffs, the Office of the Defender General, the Center for Crime Victim Services, and the Judiciary, report annually on or before December 1 to the General Assembly on services provided and outcome indicators. As a component of the report required by this subsection, the Attorney General shall include data on diversion program referrals in each county and possible causes of any geographical disparities. Confidentiality.~~

(1) The matter shall become confidential when notice of a pre-charge referral is provided to the diversion program, or when notice of a post-charge referral is provided to the court. However, persons who are subject to conditions of release imposed pursuant to 13 V.S.A. § 7554 and who are referred to diversion pursuant to subdivision (a)(2)(C) of this section, the matter shall become confidential upon the successful completion of diversion.

(2) All information gathered in the course of the adult diversion process shall be held strictly confidential and shall not be released without the participant's prior consent.

(3) Information related to any offense that a person divulges in preparation for, during, or as a follow-up to the provision of the adult diversion programming shall not be used against the person in any criminal, civil, family, juvenile, or administrative investigation, prosecution, or case for any purpose, including impeachment or cross-examination. However, the fact of participation and success, or reasons for failure, may become part of the prosecutor's records. This subsection shall not be construed to prohibit the limited disclosure or use of information to specific persons in the following circumstances:

(A) Where there is a threat or statement of a plan that a person may reasonably believe is likely to result in death or bodily injury to themselves or others or damage to the property of another person.

(B) When disclosure is necessary to report bodily harm any party causes another during restorative justice programming.

(C) When disclosure to other community-based restorative justice providers is necessary to facilitate coordination where an individual has more than one active referral before different restorative justice providers.

(D) Where there is a reasonable suspicion of abuse or neglect of a child or vulnerable adult and a report is made pursuant to the provisions of 33 V.S.A. § 4914 or 33 V.S.A. § 6903 or to comply with any law.

(E) Where a court or administrative tribunal determines that the materials were submitted by a participant in the program for the purpose of avoiding discovery of the material in a court or administrative proceeding. If a participant wishes to avail themselves of this provision, the participant may disclose this information in camera to a judicial officer for the purposes of seeking such a ruling.

(4)(A) Notwithstanding subdivision (2) of this subsection (d), if law enforcement or the prosecutor refers a case to diversion, upon the victim's request, the adult diversion program shall provide information relating to the conditions of the diversion contract regarding the victim, progress made on

such conditions, and information that assists with obtaining the victim's compensation.

(B) Victim information that is not part of the public record shall not be released without the victim's prior consent.

(C) Nothing in this section shall be construed to prohibit a victim's exercise of rights as otherwise provided by law.

~~(e) All adult court diversion programs receiving financial assistance from the Attorney General shall adhere to the following provisions: Rights and responsibilities.~~

~~(1) The diversion program shall accept only persons against whom charges have been filed and the court has found probable cause, but are not yet adjudicated. The prosecuting attorney may refer a person to diversion either before or after arraignment and shall notify in writing the diversion program and the court of his or her intention to refer the person to diversion. The matter shall become confidential when notice is provided to the court, except that for persons who are subject to conditions of release imposed pursuant to 13 V.S.A. § 7554 and who are referred to diversion pursuant to subdivision (b)(2) of this section, the matter shall become confidential upon the successful completion of diversion. If a person is charged with a qualifying crime as defined in 13 V.S.A. § 7601(4)(A) and the crime is a misdemeanor, the prosecutor shall provide the person with the opportunity to participate in the court diversion program unless the prosecutor states on the record at arraignment or a subsequent hearing why a referral to the program would not serve the ends of justice. If the prosecuting attorney prosecutor refers a case to diversion, the prosecuting attorney prosecutor may release information to the victim upon a showing of legitimate need and subject to an appropriate protective agreement defining the purpose for which the information is being released and in all other respects maintaining the confidentiality of the information; otherwise, files held by the court, the prosecuting attorney prosecutor, and the law enforcement agency related to the charges shall be confidential and shall remain confidential unless:~~

~~(A) the diversion program declines to accept the case;~~

~~(B) the person declines to participate in diversion;~~

~~(C) the diversion program accepts the case, but the person does not successfully complete diversion; or~~

~~(D) the prosecuting attorney prosecutor recalls the referral to diversion. Adult court diversion programs shall be set up to respect the rights of participants.~~

~~(2) Alleged offenders shall be informed of their right to the advice and assistance of private counsel or the public defender at all stages of the diversion process, including the initial decision to participate, and the decision to accept the adult diversion contract, so that the candidate may give informed consent.~~

(A) Diversion candidates shall be informed of their right to the advice, assistance, and access to private counsel or the public defender at all stages of the diversion process, including the initial decision to participate and the decision to accept the diversion contract, so that the candidate may give informed consent.

(B) For the pre-charge diversion program, notwithstanding the financial need determination pursuant to 13 V.S.A. § 5236, the diversion program shall inform the candidate that a public defender is available for consultation at public expense upon the request of the diversion candidate.

~~(3) The participant shall be informed that his or her selection of the adult diversion contract is voluntary. The candidate shall be informed that participation in the diversion program is voluntary.~~

~~(4) Each State's Attorney, in cooperation with the Office of the Attorney General and the adult court diversion program, shall develop clear criteria for deciding what types of offenses and offenders will be eligible for diversion; however, the State's Attorney shall retain final discretion over the referral of each case for diversion.~~

~~(5) All information gathered in the course of the adult diversion process shall be held strictly confidential and shall not be released without the participant's prior consent (except that research and reports that do not establish the identity of individual participants are allowed).~~

(A) The pre-charge and post-charge diversion programs may charge fees to its participants, which shall be paid to the local adult court diversion program. If a fee is charged, it shall be determined by program officers or employees based upon the financial capabilities of the participant. The fee shall not exceed \$300.00. Any fee charged shall be a debt due from the participant.

(B) Notwithstanding 32 V.S.A. § 502(a), fees collected pursuant to this subdivision (4) shall be retained and used solely for the purpose of the adult court diversion program.

~~(6)(5) Information related to the present offense that is divulged during the adult diversion program shall not be used against the person in the person's criminal or juvenile case for any purpose, including impeachment or cross-examination. However, the fact of participation and success, or reasons for~~

~~failure, may become part of the prosecutor's records. Any victims shall be notified of the victim's rights and role in the pre-charge diversion process, including notification of a candidate's referral to the pre-charge diversion program by the pre-charge diversion program.~~

~~(7)(A) Irrespective of whether a record was expunged, the adult court diversion program shall maintain sufficient records so that the reasons for success or failure of the program in particular cases and overall can be investigated by program staff. These records shall include a centralized statewide filing system that will include the following information about individuals who have successfully completed an adult court diversion program:~~

- ~~(i) name and date of birth;~~
- ~~(ii) offense charged and date of offense;~~
- ~~(iii) place of residence;~~
- ~~(iv) county where diversion process took place; and~~
- ~~(v) date of completion of diversion process.~~

~~(B) These records shall not be available to anyone other than the participant and his or her attorney, State's Attorneys, the Attorney General, and directors of adult court diversion programs.~~

~~(C) Notwithstanding subdivision (B) of this subdivision (e)(7), the Attorney General shall, upon request, provide to a participant or his or her attorney sufficient documentation to show that the participant successfully completed diversion.~~

~~(8) Adult court diversion programs shall be set up to respect the rights of participants.~~

~~(9) Each participant shall pay a fee to the local adult court diversion program. The amount of the fee shall be determined by program officers or employees based upon the financial capabilities of the participant. The fee shall not exceed \$300.00. The fee shall be a debt due from the participant, and payment of such shall be required for successful completion of the program. Notwithstanding 32 V.S.A. § 502(a), fees collected under this subdivision shall be retained and used solely for the purpose of the court diversion program.~~

~~(f) The Attorney General is authorized to accept grants and gifts for the purposes of this section, such acceptance being pursuant to 32 V.S.A. § 5. Records; deletion and expungement.~~

(1) Pre-charge diversion records deletion.

(A) Not later than 10 days after the successful completion of the pre-charge diversion program, the adult diversion program shall notify the victim, law enforcement agency, and the State's Attorney's office of the participant's successful completion. Payment of restitution is required for successful completion.

(B) Within 30 days after the two-year anniversary notifying the State's Attorney's office of the participant's successful completion, the Attorney General shall provide notice that all records held by the diversion program shall be deleted.

(C) Within 30 days after the two-year anniversary notifying the law enforcement agency and the State's Attorney's office of the participant's successful completion, the Attorney General shall provide notice that all public records held by the law enforcement agency and the State's Attorney's office shall be deleted, including any held by the Attorney General. Criminal history records maintained on the Valcour database or other similar nonpublic law enforcement databases are exempt from deletion and shall only be used for criminal justice purposes.

(2) Pre-charge diversion case index.

(A) The Community Justice Unit shall keep a special index of pre-charge diversion cases that have been deleted pursuant to this section together with the notice of deletion provided by the Attorney General. The index shall list only the name of the diversion participant, the individual's date of birth, a case number, date of case closure, location of programming, and the offense that was the subject of the deletion.

(B) The special index and related documents specified in subdivision (A) of this subdivision (2) shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.

(C) Inspection of the notice may be permitted only upon request by the person who is the subject of the case. The Attorney General may permit special access to the index and the documents for research purposes pursuant to subdivision (g)(2) of this section.

(D) The Community Justice Unit shall establish policies for implementing subsections (1)–(4) of this subsection (f).

(3) Effect of Deletion. Except as otherwise provided in this section, upon the notice to delete files and records under this section, the matter shall be considered never to have occurred; all index references thereto shall be deleted; and the participant, the Community Justice Unit, law enforcement officers and departments, prosecutors, the referring entity, and the diversion

program shall reply to any request for information that no record exists with respect to such participant inquiry in any matter. Copies of the notice shall be sent to each agency, entity, or official named therein.

(4) Deletion Applicability. The process of automatically deleting records as provided in this section shall only apply to those persons who completed pre-charge diversion on or after July 1, 2025.

(5) Post-charge diversion records expungement. Within 30 days after the two-year anniversary of a successful completion of adult post-charge diversion, the court shall provide notice to all parties of record of the court's intention to order the expungement of all court files and records, law enforcement records, fingerprints, and photographs other than entries in the adult court diversion program's centralized filing system applicable to the proceeding. However, the court shall not order expungement if the participant does not satisfy each of subdivisions (A)–(C) of this subdivision. The court shall give the State's Attorney an opportunity for a hearing to contest the expungement of the records. The court shall expunge the records if it finds:

(A) two years have elapsed since the successful completion of the adult post-charge diversion program by the participant;

(B) the participant has not been convicted of a subsequent felony or misdemeanor during the two-year period, and no proceedings are pending seeking such conviction; and

(C) the participant does not owe restitution related to the case.

(6) Expungement of sealed records. The court may expunge any records that were sealed pursuant to this subsection prior to July 1, 2018 unless the State's Attorney's office that prosecuted the case objects. Thirty days prior to expunging a record pursuant to this subdivision, the court shall provide written notice of its intent to expunge the record to the State's Attorney's office that prosecuted the case.

(7) Post-charge diversion case index.

(A) The court and the Office of the Attorney General shall keep a special index of post-charge diversion cases that have been expunged pursuant to this section together with the expungement order. The index shall list only the name of the person convicted of the offense, the person's date of birth, the docket number, date of case closure, location of programming, and the criminal offense that was the subject of the expungement.

(B) The special index and related documents specified in subdivision (A) of this subdivision (7) shall be confidential and shall be physically and



electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.

(C) Inspection of the expungement order and the certificate may be permitted only upon petition by the person who is the subject of the case. The Chief Superior Judge may permit special access to the index and the documents for research purposes pursuant to the rules for public access to court records.

(D) The Court Administrator shall establish policies for implementing subdivisions (5)–(9) of this subsection (f).

(8) Effect of Expungement. Except as otherwise provided in this section, upon the entry of an order expunging files and records under this section, the proceedings in the matter shall be considered never to have occurred; all index references thereto shall be deleted; and the participant, the court, law enforcement officers and departments, prosecutors, the referring entity, and the diversion program shall reply to any request for information that no record exists with respect to such participant inquiry in any matter. Copies of the order shall be sent to each agency, entity, or official named therein.

(9) Expungement Applicability. The process of automatically expunging records as provided in this section shall only apply to those persons who completed diversion on or after July 1, 2002. Any person who completed diversion prior to July 1, 2002 must apply to the court to have the person's records expunged. Expungement shall occur if the requirements of this subsection (f) are met.

(g) Public records act exemption.

~~(1) Within 30 days after the two-year anniversary of a successful completion of adult diversion, the court shall provide notice to all parties of record of the court's intention to order the expungement of all court files and records, law enforcement records other than entries in the adult court diversion program's centralized filing system, fingerprints, and photographs applicable to the proceeding. However, the court shall not order expungement if the participant does not satisfy each of subdivisions (A)–(D) of this subdivision. The court shall give the State's Attorney an opportunity for a hearing to contest the expungement of the records. The court shall expunge the records if it finds:~~

~~(A) two years have elapsed since the successful completion of the adult diversion program by the participant;~~

~~(B) the participant has not been convicted of a subsequent felony or misdemeanor during the two-year period, and no proceedings are pending seeking such conviction;~~

~~(C) rehabilitation of the participant has been attained to the satisfaction of the court; and~~

~~(D) the participant does not owe restitution related to the case. Except as otherwise provided in this section, any records or information produced or acquired pursuant to this section shall be exempt from public inspection or copying under Vermont's Public Records Act and shall be kept confidential.~~

~~(2) The court may expunge any records that were sealed pursuant to this subsection prior to July 1, 2018 unless the State's Attorney's office that prosecuted the case objects. Thirty days prior to expunging a record pursuant to this subdivision, the court shall provide written notice of its intent to expunge the record to the State's Attorney's office that prosecuted the case. Notwithstanding subdivision (1) of this subsection, a law enforcement agency, State's Attorney's office, court, or community-based restorative justice provider may disclose information to colleges, universities, public agencies of the State, and nonprofit research organizations that a community-based restorative justice provider has agreements with for use in connection with research projects of a public service nature, but no person associated with those institutions or agencies shall disclose that information in any manner that would reveal the identity of an individual who provided the information to the community-based restorative justice provider.~~

~~(3)(A) The court shall keep a special index of cases that have been expunged pursuant to this section together with the expungement order. The index shall list only the name of the person convicted of the offense, his or her date of birth, the docket number, and the criminal offense that was the subject of the expungement.~~

~~(B) The special index and related documents specified in subdivision (A) of this subdivision (3) shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.~~

~~(C) Inspection of the expungement order and the certificate may be permitted only upon petition by the person who is the subject of the case. The Chief Superior Judge may permit special access to the index and the documents for research purposes pursuant to the rules for public access to court records.~~

~~(D) — The Court Administrator shall establish policies for implementing this subsection (g).~~

~~(h) Except as otherwise provided in this section, upon the entry of an order expunging files and records under this section, the proceedings in the matter shall be considered never to have occurred, all index references thereto shall be deleted, and the participant, the court, and law enforcement officers and departments shall reply to any request for information that no record exists with respect to such participant inquiry in any matter. Copies of the order shall be sent to each agency or official named therein.~~

~~(i) [Repealed.]~~

~~(j) The process of automatically expunging records as provided in this section shall only apply to those persons who completed diversion on or after July 1, 2002. Any person who completed diversion prior to July 1, 2002 must apply to the court to have his or her records expunged. Expungement shall occur if the requirements of subsection (g) of this section are met.~~

~~(k) The Attorney General, in consultation with the Vermont Association of Court Diversion Programs, may develop and administer programs to assist persons under this section charged with delinquent, criminal, and civil offenses.~~

~~(l) Notwithstanding subdivision (e)(1) of this section, the diversion program may accept cases from the Youth Substance Awareness Safety Program pursuant to 7 V.S.A. § 656 or 18 V.S.A. § 4230b. The confidentiality provisions of this section shall become effective when a notice of violation is issued under 7 V.S.A. § 656(b) or 18 V.S.A. § 4230b(b) and shall remain in effect unless the person fails to register with or complete the Youth Substance Awareness Safety Program.~~

~~(m) Notwithstanding subdivision (e)(1) of this section, the diversion program may accept cases pursuant to 33 V.S.A. §§ 5225 and 5280.~~

\* \* \*

## § ~~165~~ 161. PUBLIC CONTRACT ADVOCATE

\* \* \*

Sec. 2. 7 V.S.A. § 656 is amended to read:

§ 656. PERSON 16 YEARS OF AGE OR OLDER AND UNDER 21 YEARS OF AGE MISREPRESENTING AGE, PROCURING, POSSESSING, OR CONSUMING ALCOHOLIC BEVERAGES; CIVIL VIOLATION

\* \* \*

(b) Issuance of notice of violation. A law enforcement officer shall issue a person who violates this section a notice of violation, in a form approved by the Court Administrator. The notice of violation shall require the person to provide ~~his or her~~ the person's name and address and shall explain procedures under this section, including that:

(1) the person shall contact the Diversion Program in the county where the offense occurred within 15 days;

(2) failure to contact the Diversion Program within 15 days will result in the case being referred to the Judicial Bureau, where the person, if found liable for the violation, will be subject to a civil penalty and a suspension of the person's operator's license and may face substantially increased insurance rates;

(3) no money should be submitted to pay any penalty until after adjudication; and

(4) the person shall notify the Diversion Program if the person's address changes.

\* \* \*

(d) Registration in Youth Substance Abuse Safety Program. Within 15 days after receiving a notice of violation, the person shall contact the Diversion Program in the county where the offense occurred and register for the Youth Substance Abuse Safety Program. If the person fails to do so, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

(e) Notice to report to Diversion. Upon receipt from a law enforcement officer of a summons and complaint completed under this section, the Diversion Program shall send the person a notice to report to the Diversion Program. The notice to report shall provide that:

(1) The person is required to complete all conditions related to the offense imposed by the Diversion Program, including substance abuse screening and, if deemed appropriate following the screening, substance abuse assessment or substance abuse counseling, or both.

(2) If the person does not satisfactorily complete the substance abuse screening, any required substance abuse assessment or substance abuse counseling, or any other condition related to the offense imposed by the Diversion Program, the case will be referred to the Judicial Bureau, where the

person, if found liable for the violation, shall be assessed a civil penalty, the person's driver's license will be suspended, and the person's automobile insurance rates may increase substantially.

(3) If the person satisfactorily completes the substance abuse screening, any required substance abuse assessment or substance abuse counseling, and any other condition related to the offense imposed by the Diversion Program, no penalty shall be imposed and the person's operator's license shall not be suspended.

(f) Diversion Program requirements.

(1) Upon being contacted by a person who has been issued a notice of violation, the Diversion Program shall register the person in the Youth Substance Abuse Safety Program. Pursuant to the Youth Substance Abuse Safety Program, the Diversion Program shall impose conditions on the person. The conditions imposed shall include only conditions related to the offense and in every case shall include a condition requiring satisfactory completion of substance abuse screening using an evidence-based tool and, if deemed appropriate following the screening, substance abuse assessment and substance abuse education or substance abuse counseling, or both. If the screener recommends substance abuse counseling, the person shall choose a State-certified or State-licensed substance abuse counselor or substance abuse treatment provider to provide the services.

(2) Substance abuse screening required under this subsection shall be completed within 60 days after the Diversion Program receives a summons and complaint. The person shall complete all conditions at ~~his or her~~ the person's own expense.

(3) When a person has satisfactorily completed substance abuse screening, any required substance abuse education or substance abuse counseling, and any other condition related to the offense that the Diversion Program has imposed, the Diversion Program shall:

(A) ~~void~~ Void the summons and complaint with no penalty due; ~~and~~.

(B) ~~send~~ Send copies of the voided summons and complaint to the Judicial Bureau and to the law enforcement officer who completed them. Before sending copies of the voided summons and complaint to the Judicial Bureau under this subdivision, the Diversion Program shall redact all language containing the person's name, address, Social Security number, and any other information that identifies the person.

(4) If a person does not satisfactorily complete substance abuse screening, any required substance abuse education or substance abuse counseling, or any other condition related to the offense imposed by the

Diversion Program ~~or if the person fails to pay the Diversion Program any required program fees~~, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

(5) A person aggrieved by a decision of the Diversion Program or alcohol counselor may seek review of that decision pursuant to Rule 75 of the Vermont Rules of Civil Procedure.

(6) Notwithstanding 3 V.S.A. §§ 163(a)(2)(C) and 164(a)(2)(C), the adult or juvenile diversion programs shall accept cases from the Youth Substance Awareness Safety Program pursuant to this section. The confidentiality provisions of 3 V.S.A. § 163 or 164 shall become effective when a notice of violation is issued pursuant to subsection (b) of this section and shall remain in effect unless the person fails to register with or complete the Youth Substance Awareness Safety Program.

\* \* \*

Sec. 3. 18 V.S.A. § 4230b is amended to read:

§ 4230b. CANNABIS POSSESSION BY A PERSON 16 YEARS OF AGE  
OR OLDER AND UNDER 21 YEARS OF AGE; CIVIL  
VIOLATION

\* \* \*

(b) Issuance of notice of violation. A law enforcement officer shall issue a person who violates this section with a notice of violation, in a form approved by the Court Administrator. The notice of violation shall require the person to provide ~~his or her~~ the person's name and address and shall explain procedures under this section, including that:

(1) the person shall contact the Diversion Program in the county where the offense occurred within 15 days;

(2) failure to contact the Diversion Program within 15 days will result in the case being referred to the Judicial Bureau, where the person, if found liable for the violation, will be subject to a civil penalty and a suspension of the person's operator's license and may face substantially increased insurance rates;

(3) no money should be submitted to pay any penalty until after adjudication; and

(4) the person shall notify the Diversion Program if the person's address changes.

\* \* \*

(d) Registration in Youth Substance Awareness Safety Program. Within 15 days after receiving a notice of violation, the person shall contact the Diversion Program in the county where the offense occurred and register for the Youth Substance Awareness Safety Program. If the person fails to do so, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

(e) Notice to report to Diversion. Upon receipt from a law enforcement officer of a summons and complaint completed under this section, the Diversion Program shall send the person a notice to report to the Diversion Program. The notice to report shall provide that:

(1) The person is required to complete all conditions related to the offense imposed by the Diversion Program, including substance abuse screening and, if deemed appropriate following the screening, substance abuse assessment or substance abuse counseling, or both.

(2) If the person does not satisfactorily complete the substance abuse screening, any required substance abuse assessment or substance abuse counseling, or any other condition related to the offense imposed by the Diversion Program, the case will be referred to the Judicial Bureau, where the person, if found liable for the violation, shall be assessed a civil penalty, the person's driver's license will be suspended, and the person's automobile insurance rates may increase substantially.

(3) If the person satisfactorily completes the substance abuse screening, any required substance abuse assessment or substance abuse counseling, and any other condition related to the offense imposed by the Diversion Program, no penalty shall be imposed and the person's operator's license shall not be suspended.

(f) Diversion Program requirements.

(1) Upon being contacted by a person who has been issued a notice of violation, the Diversion Program shall register the person in the Youth Substance Awareness Safety Program. Pursuant to the Youth Substance Awareness Safety Program, the Diversion Program shall impose conditions on the person. The conditions imposed shall include only conditions related to the offense and in every case shall include a condition requiring satisfactory

completion of substance abuse screening using an evidence-based tool and, if deemed appropriate following the screening, substance abuse assessment and substance abuse education or substance abuse counseling, or both. If the screener recommends substance abuse counseling, the person shall choose a State-certified or State-licensed substance abuse counselor or substance abuse treatment provider to provide the services.

(2) Substance abuse screening required under this subsection shall be completed within 60 days after the Diversion Program receives a summons and complaint. The person shall complete all conditions at ~~his or her~~ the person's own expense.

(3) When a person has satisfactorily completed substance abuse screening, any required substance abuse education or substance abuse counseling, and any other condition related to the offense that the Diversion Program has imposed, the Diversion Program shall:

(A) Void the summons and complaint with no penalty due.

(B) Send copies of the voided summons and complaint to the Judicial Bureau and to the law enforcement officer who completed them. Before sending copies of the voided summons and complaint to the Judicial Bureau under this subdivision, the Diversion Program shall redact all language containing the person's name, address, Social Security number, and any other information that identifies the person.

(4) If a person does not satisfactorily complete substance abuse screening, any required substance abuse education or substance abuse counseling, or any other condition related to the offense imposed by the Diversion Program or if the person fails to pay the Diversion Program any required Program fees, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

(5) A person aggrieved by a decision of the Diversion Program or alcohol counselor may seek review of that decision pursuant to Rule 75 of the Vermont Rules of Civil Procedure.

(6) Notwithstanding 3 V.S.A. §§ 163(a)(2)(C) and 164(a)(2)(C), the adult or juvenile diversion programs shall accept cases from the Youth Substance Awareness Safety Program pursuant to this section, 18 V.S.A. § 4230f(e)(1), or 18 V.S.A. § 4230f(e)(2). The confidentiality provisions of 3 V.S.A. § 163 or 164 shall become effective when a notice of violation is issued pursuant to subsection (b) of this section, 18 V.S.A. § 4230f(e)(1), or



18 V.S.A. § 4230f(e)(2) and shall remain in effect unless the person fails to register with or complete the Youth Substance Awareness Safety Program.

\* \* \*

Sec. 4. RESTORATIVE JUSTICE; POST-ADJUDICATION REPARATIVE PROGRAM WORKING GROUP; REPORT

(a) Creation. There is created the Post-Adjudication Reparative Program Working Group to create a Post-Adjudication Reparative Program (the “Program”) that promotes uniform access to the appropriate community-based service providers for individuals sentenced to reparative boards and probation pursuant to 13 V.S.A. § 7030(a)(2) and (a)(3). The Working Group shall also study establishing a stable and reliable funding structure to support the operation of the appropriate community-based service providers.

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

(1) the Commissioner of Corrections or designee;

(2) the Chief Judge of the Vermont Superior Court or designee; and

(3) five representatives selected from different geographic regions of the State to represent the State’s community-based restorative justice providers currently receiving reparative board funding from the Department of Corrections appointed by the providers.

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

(1) defining the Program and its scope;

(2) determining the offenses that presumptively qualify for referral to the Program;

(3) establishing any eligibility requirements for individuals sentenced to a reparative board or probation to be referred to the Program;

(4) designing uniform operational procedures for Program referrals from the courts, intake, data collection, participant success standards, and case closures;

(5) assessing the necessary capacity and resources of the Judiciary, the Department of Corrections, and the community-based restorative justice providers to operate the Program;

(6) exploring an approach to achieve greater stability and reliability for the community-based restorative justice providers, including the Designated Agency model; and

(7) consulting with the Office of the Attorney General, the Department of State's Attorneys and Sheriffs, the Office of the Defender General, the Center for Crime Victim Services, and other stakeholders as necessary, on considerations to incorporate into the Program.

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

(e) Report and updates.

(1) On or before January 15, 2025, the Working Group shall provide an update to the Senate Committee on Judiciary and House Committees on Corrections and Institutions and on Judiciary concerning any progress.

(2) On or before July 15, 2025, the Working Group shall provide an update to the Joint Legislatures Justice Oversight Committee concerning any progress.

(3) On or before November 15, 2025, the Working Group shall submit a written report in the form of proposed legislation to the Joint Legislative Justice Oversight Committee, the Senate Committee on Judiciary, and the House Committees on Corrections and Institutions and on Judiciary.

(f) Meetings.

(1) The Chief Judge of the Vermont Superior Court or designee shall call the first meeting of the Working Group to occur on or before August 1, 2024.

(2) The Working Group shall meet not more than six times per year.

(3) The Chief Judge of the Vermont Superior Court or designee shall serve as the Chair of the Working Group.

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

(5) The Working Group shall cease to exist on January 15, 2026.

(g) Compensation and reimbursement. Members of the Working Group who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than six meetings per year.

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

To the extent funds are available, a new, permanent, exempt Director of Policy position is created in fiscal year 2025 within the Department of State's Attorneys and Sheriffs. In addition to any other duties deemed appropriate by

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the Department, the Director of Policy shall supervise the development, oversight, and compliance work related to the Department's internal, external, and State-mandated policies.

Sec. 6. OFFICE OF THE ATTORNEY GENERAL; POSITION;  
APPROPRIATION

To the extent funds are available, a new, permanent, classified Diversion Program Coordinator position is created in fiscal year 2025 within the Office of the Attorney General. In addition to any other duties deemed appropriate by the Attorney General, the Diversion Program Coordinator shall assist in the administration of the diversion programs governed by the Office of the Attorney General.

Sec. 7. COMMUNITY JUSTICE UNIT; DIVERSION PROGRAM  
ADMINISTRATION PLAN; REPORT

In counties where there is more than one pre-charge and post-charge diversion provider, the Community Justice Unit of the Office of the Attorney General shall collaborate with each county's juvenile and adult pre-charge and post-charge providers and each county's State's Attorney or designee to develop a plan to streamline the administration and provision of juvenile and adult pre-charge and post-charge diversion programs on or before April 1, 2025. The Community Justice Unit shall report on such plan to the Senate and House Committees on Judiciary on or before April 1, 2025.

Sec. 8. OFFICE OF THE ATTORNEY GENERAL; PRE-CHARGE  
DIVERSION PROVIDERS; GRANTS

Notwithstanding 3 V.S.A. §§ 163(b)(1) and 164(b)(1), in counties where there is more than one pre-charge or post-charge diversion provider, the Attorney General may offer to grant or contract directly with all pre-charge providers in that county or provide for subgranting or subcontracting by the current post-charge provider in that county.

Sec. 9. OFFICE OF THE ATTORNEY GENERAL; COMMUNITY  
REFERRALS; FUNDING ALTERNATIVES; REPORT

(a) On or before December 1, 2024, the Office of the Attorney General, in consultation with community-based restorative justice providers, the Department of Public Safety, the Vermont Association of Chiefs of Police, the Office of Racial Equity, and other stakeholders as needed, shall submit a written report outlining funding alternatives for community referrals to the Senate and House Committees on Judiciary. The report shall include funding alternatives considering:

- (1) federal, state, and local funding options;

(2) entities through which funding could be provided; and

(3) oversight requirements.

(b) As used in this section, “community referrals” has the same meaning as defined in 13 V.S.A. § 162a(4).

#### Sec. 10. REPEALS

Sec. 8 of this act is repealed on July 1, 2029.

#### Sec. 11. EFFECTIVE DATES

This act shall take effect on July 1, 2024 except that Sec. 1 (juvenile and adult pre-charge and post-charge diversion) and Sec. 8 (Attorney General pre-charge diversion grants) shall take effect on July 1, 2025.

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

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

Senator Sears, 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 Committee on Judiciary with the following proposals amendment thereto:

First: By striking out Sec. 5, Department of State’s Attorneys and Sheriffs; position; appropriation, in its entirety and inserting in lieu thereof the following:

Sec. 5. [Deleted.]

Second: By striking out Sec. 6, Office of the Attorney General; position; 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 proposal of amendment of the Committee on Judiciary was amended 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 Judiciary, as amended?, Senators Hashim, Sears and Norris moved to amend the proposal of amendment of the Committee on Judiciary as follows:

First: In Sec. 1, 3 V.S.A. chapter 7, by striking out section 162a in its entirety and inserting in lieu thereof a new section 162a to read as follows:

§ 162a. DEFINITIONS

As used in this subchapter:

(1) “Child” has the same meaning as in 33 V.S.A. § 5102(2).

(2) “Community referral” means a referral of an individual to a community-based restorative justice provider that does not involve criminal offenses or delinquencies for which probable cause exists.

(3) “Criminal justice purposes” has the same meaning as in 20 V.S.A. § 2056a(a)(3).

(4) “Precharge diversion” means a referral of an individual to a community-based restorative justice provider by a law enforcement officer or prosecutor after the referring officer or prosecutor has determined that probable cause exists that the individual has committed a criminal offense and before the individual is criminally charged with the offense or before a petition is filed in family court for the offense. Precharge diversion shall not be construed to include a community referral.

(5) “Youth” has the same meaning as in 33 V.S.A. § 5102(29).

Second: In Sec. 1, 3 V.S.A. chapter 7, in section 163, in subdivision (f)(1), by striking out subdivision (C) in its entirety and inserting in lieu thereof a new subdivision (C) to read as follows:

(C) Within 30 days after the two-year anniversary notifying the law enforcement agency and the State’s Attorney’s office of the participant’s successful completion, the Attorney General shall provide notice that all public records held by the law enforcement agency and the State’s Attorney’s office shall be deleted, including any held by the Attorney General. Records maintained on the Valcour database or other similar nonpublic databases maintained by a law enforcement agency, a State’s Attorney’s office, or the Department of State’s Attorneys and Sheriffs shall be exempt from deletion and shall only be used for criminal justice purposes.

Third: In Sec. 1, 3 V.S.A. chapter 7, in section 164, in subdivision (f)(1), by striking out subdivision (C) in its entirety and inserting in lieu thereof a new subdivision (C) to read as follows:

(C) Within 30 days after the two-year anniversary notifying the law enforcement agency and the State’s Attorney’s office of the participant’s successful completion, the Attorney General shall provide notice that all public records held by the law enforcement agency and the State’s Attorney’s office

shall be deleted, including any held by the Attorney General. Records maintained on the Valcour database or other similar nonpublic databases maintained by a law enforcement agency, a State's Attorney's office, or the Department of State's Attorneys and Sheriffs shall be exempt from deletion and shall only be used for criminal justice purposes.

Fourth: By adding a new section to be Sec. 9a to read as follows:

Sec. 9a. VERMONT SENTENCING COMMISSION; PRECHARGE  
DIVERSION RECORD RETENTION; REPORT

On or before November 15, 2024, the Vermont Sentencing Commission shall submit a written report to the Joint Legislative Justice Oversight Committee and the Senate and House Committees on Judiciary reviewing current precharge diversion record retention practices within law enforcement agencies and State's Attorneys' offices. The report shall provide recommendations of the following:

(1) whether precharge diversion records are retained, sealed, made available on a limited basis to law enforcement or prosecutors, or deleted altogether;

(2) if it is recommended that records be retained, a determination of any time limits or other restrictions related to retention;

(3) if it is recommended that records be sealed, a determination of the circumstances that permit sealing, if any;

(4) if it is recommended that records be made available on a limited basis, a determination of the circumstances under which records be made available; and

(5) if it is recommended that records be deleted, a determination of any time to elapse or other considerations prior to deletion.

Which was agreed to.

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

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

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

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**Rules Suspended; Immediate Consideration, House Proposal of  
Amendment Concurred In**

**S. 102.**

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

An act relating to expanding employment protections and collective bargaining rights.

Was taken up for immediate consideration.

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

Sec. 1. 21 V.S.A. § 495o is added to read:

§ 495o. EMPLOYER COMMUNICATIONS RELATING TO RELIGIOUS  
OR POLITICAL MATTERS; EMPLOYEE RIGHTS

(a) An employer, or an employer's agent, shall not discharge, discipline, penalize, or otherwise discriminate against, or threaten to discharge, discipline, penalize, or otherwise discriminate against, an employee:

(1) because the employee declines:

(A) to attend or participate in an employer-sponsored meeting that has the primary purpose of communicating the employer's opinion about religious or political matters; or

(B) to view or participate in communications with or from the employer or the employer's agent that have the primary purpose of communicating the employer's opinion about religious or political matters; or

(2) as a means of requiring an employee to:

(A) attend an employer-sponsored meeting that has the primary purpose of communicating the employer's opinion about religious or political matters; or

(B) view or participate in communications with or from the employer or the employer's agent that have the primary purpose of communicating the employer's opinion about religious or political matters.

(b) Nothing in this section shall be construed to:

(1) limit an employee's right to bring a civil action for wrongful termination; or

(2) diminish or limit any rights provided to an employee pursuant to a collective bargaining agreement or employment contract.

(c) Nothing in this section shall be construed to prohibit an employer that is a religious or denominational institution or organization, or any organization operated for charitable or educational purposes, that is operated, supervised, or controlled by or in connection with a religious organization, from:

(1) communicating with its employees regarding the employer's opinion on religious matters;

(2) requiring its employees to attend a meeting regarding the employer's opinion on religious matters; or

(3) requiring its employees to view or participate in communications from the employer or the employer's agent regarding the employer's opinion on religious matters.

(d) Nothing in this section shall be construed to prohibit an employer that is a political organization, a political party, or an organization that engages, in substantial part, in political matters from:

(1) communicating with its employees regarding the employer's opinion on political matters;

(2) requiring its employees to attend a meeting regarding the employer's opinion on political matters; or

(3) requiring its employees to view or participate in communications from the employer or the employer's agent regarding the employer's opinion on political matters.

(e) Nothing in this section shall be construed to prohibit an employer or the employer's agent from:

(1) communicating information to an employee:

(A) that the employer is required to communicate pursuant to State or federal law; or

(B) that is necessary for the employee to perform the employee's job functions or duties;

(2) requiring an employee to attend a meeting to discuss issues related to the employer's business or operation when the discussion is necessary for the employee to perform the employee's job functions or duties; or

(3) offering meetings, forums, or other communications about religious or political matters for which attendance or participation is entirely voluntary.

(f)(1) The penalty and enforcement provisions of section 495b of this subchapter shall apply to this section.

(2) The provisions against retaliation in subdivision 495(a)(8) of this



subchapter shall apply to this section.

(g) As used in this section:

(1) “Political matters” means matters relating to:

(A) political affiliation;

(B) elections for political office;

(C) political parties;

(D) legislative proposals;

(E) the decision to join or support any political party or political, civic, community, fraternal, or labor organization; or

(F) any combination of subdivisions (A) through (E) of this subdivision (g)(1).

(2) “Religious matters” means matters relating to:

(A) religious affiliation;

(B) religious practice;

(C) the decision to join or support any religious or denominational organization or institution; or

(D) any combination of subdivisions (A) through (C) of this subdivision (g)(2).

Sec. 2. 21 V.S.A. § 1502 is amended to read:

§ 1502. DEFINITIONS

As used in this chapter:

\* \* \*

(6) “Employee” includes any employee, and is not limited to the employees of a particular employer unless this chapter explicitly states otherwise, and includes any individual whose work has ceased as a consequence of, or in connection with, any current labor dispute or because of any unfair labor practice and who has not obtained any other regular and substantially equivalent employment, but does not include an individual;

(A) employed as an agricultural laborer;

(B) employed by ~~his or her~~ the individual’s parent or spouse;

(C) ~~employed in the domestic service of any family or person at his or her home;~~ [Repealed.]

(D) having the status of an independent contractor;

(E) employed as a supervisor;

(F) employed by an employer subject to the Railway Labor Act as amended from time to time; or

(G) employed by any other person who is not an employer as defined in subdivision (7) of this section.

\* \* \*

### Sec. 3. AGRICULTURAL WORKER LABOR AND EMPLOYMENT LAWS; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Agricultural Worker Labor and Employment Laws Study Committee to examine the application of Vermont's labor relations and employment laws to agricultural workers in Vermont and to identify potential legislative action to provide additional coverage to agricultural workers under those laws.

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

(1) four current members of the House, not all from the same political party, appointed by the Speaker of the House, of whom two shall be members of the Committee on Agriculture, Food Resiliency, and Forestry and two shall be members of the Committee on General and Housing; and

(2) four current members of the Senate, not all from the same political party, appointed by the Committee on Committees, of whom two shall be members of the Committee on Agriculture and two shall be members of the Committee on Economic Development, Housing and General Affairs.

(c) Powers and duties. The Committee shall study how Vermont's employment and labor relations laws apply to Vermont agricultural workers and identify potential legislative action to provide additional coverage to agricultural workers under those laws. In particular, the Committee shall:

(1) identify existing employment rights for agricultural workers under Vermont and federal law;

(2) identify Vermont and federal employment and collective bargaining laws that do not apply to some or all Vermont agricultural workers;

(3) identify laws in other states that provide employment or collective bargaining rights to agricultural workers that Vermont agricultural workers do not have;

(4) paying particular attention to states with agricultural economies similar to Vermont's, examine the structure of collective bargaining rights for

agricultural workers in other states that provide such rights, including coverage, certification of exclusive bargaining representatives, subjects for bargaining, procedures for resolving bargaining impasse, unfair labor practices, and costs related to organizing and contract negotiation for both employers and labor organizations;

(5) examine the structure of Vermont's existing labor relations laws, including coverage, certification of exclusive bargaining representatives, subjects for bargaining, procedures for resolving bargaining impasse, unfair labor practices, and costs related to organizing and contract negotiation for both employers and labor organizations;

(6) examine the capacity of the Vermont Labor Relations Board to administer collective bargaining in Vermont's agricultural sector;

(7) develop a framework for agricultural collective bargaining in Vermont; and

(8) identify other potential changes to Vermont's employment laws to provide additional rights and protections to agricultural workers.

(d) Assistance. The Committee shall have the administrative assistance of the Office of Legislative Operations, the fiscal assistance of the Joint Fiscal Office, and the legal assistance of the Office of Legislative Counsel.

(e) Report.

(1) On or before December 15, 2024, the Committee shall submit a written report to the General Assembly with its findings and recommendations for legislative action.

(2) The report shall include a proposal for permitting agricultural workers to collectively bargain. The proposal shall specifically address:

(A) whether to provide for collective bargaining by agricultural workers under the State Labor Relations Act or in a separate agricultural workers' labor relations act;

(B) the minimum size of agricultural employer to be covered;

(C) whether, and if so how, to differentiate between covered employers based on their size;

(D) the minimum number of employees who may form a bargaining unit;

(E) how to address seasonal, migratory, and temporary workers;

(F) procedures for selecting and certifying an exclusive representative for a bargaining unit;

(G) mandatory subjects for bargaining;

(H) procedures for resolving bargaining impasses, including whether to permit strikes or contract imposition;

(I) unfair labor practices;

(J) the role, if any, of the Vermont Labor Relations Board in administering the proposed law;

(K) whether to provide State resources to assist parties during the process of determining a bargaining unit, certifying an exclusive representative for a bargaining unit, negotiating a contract, and resolving a bargaining impasse; and

(L) any other issues the Committee deems to be appropriate.

(3) The report shall also include a recommendation for any other legislative action to amend Vermont's employment laws in relation to agricultural workers that the Committee deems to be appropriate.

(f) Meetings.

(1) The Chair of the House Committee on Agriculture, Food Resiliency, and Forestry shall call the first meeting of the Committee to occur on or before September 6, 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 on December 31, 2024.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 4. 3 V.S.A. § 941 is amended to read:

§ 941. UNIT DETERMINATION, CERTIFICATION, AND REPRESENTATION

\* \* \*

(e)(1) Whenever, on the basis of a petition pursuant to subdivision (d)(1) of this section or a hearing pursuant to subdivision (d)(2) of this section, the Board finds substantial interest among employees in forming a bargaining unit or being represented for purposes of collective bargaining, a secret ballot election shall be conducted by the Board not more than 23 business days after

the petition is filed with the Board except as otherwise provided pursuant to subdivision (4) of this subsection and subdivision (g)(4) of this section.

\* \* \*

(g)(1) In determining the representation of State employees in a collective bargaining unit, the Board shall conduct a secret ballot of the employees within the time period set forth in subdivision (e)(1) of this section, unless the time to conduct the election is extended pursuant to subdivision (e)(4) of this section, and certify the results to the interested parties and to the State employer. The original ballot shall be so prepared as to permit a vote against representation by anyone named on the ballot. No representative will be certified with less than a majority of the votes cast by employees in the bargaining unit.

\* \* \*

(4)(A) Notwithstanding any other provision of this subsection (g), if the Board determines that a petition to be represented for collective bargaining filed pursuant to subsection (c) of this section, which identifies a proposed exclusive representative of the employees in the bargaining unit, bears the signatures of at least 50 percent plus one of the employees in a bargaining unit deemed appropriate by the Board pursuant to this section, the Board shall certify the person or labor organization as the exclusive representative of the bargaining unit.

(B) Certification of a collective bargaining representative shall only be available pursuant to this subdivision (g)(4) when no other person or labor organization is currently certified or recognized as the exclusive representative of the employees in the bargaining unit.

(h) A representative chosen by secret ballot for the purposes of collective bargaining by a majority of the votes cast by secret ballot or certified pursuant to subdivision (g)(4) of this section shall be the exclusive representative of all the employees in such the bargaining unit for a minimum of one year. Such The representative shall be eligible for reelection or for recertification pursuant to subdivision (g)(4) of this section.

\* \* \*

Sec. 5. 16 V.S.A. § 1992 is amended to read:

§ 1992. REFERENDUM PROCEDURE FOR REPRESENTATION

(a)(1) An organization purporting to represent a majority of all of the teachers or administrators employed by the school board may be recognized by the school board without the necessity of a referendum upon the submission of a petition bearing the valid signatures of a majority of the teachers or

administrators employed by that school board. ~~Within 15 calendar days after receiving the petition, the school board shall notify the teachers or administrators of the school district in writing of its intention to either require or waive a secret ballot referendum. If the school board gives notice of its intention to waive a referendum and recognize an organization, 10 percent of the teachers or administrators employed by the school board may submit a petition within 15 calendar days thereafter, objecting to the granting of recognition without a referendum, in which event a secret ballot referendum shall be held in the district for the purpose of choosing an exclusive representative as provided pursuant to the provisions of this section. The school board and the organization purporting to represent a majority of the teachers or administrators shall, within 10 business days after the petition is submitted, agree on an impartial third party to examine the petition and determine whether a majority of the teachers or administrators support the organization. If the parties fail to agree on an impartial third party within 10 business days, the Vermont Labor Relations Board shall examine the petition and determine whether a majority of the teachers or administrators support the organization. If the impartial party or the Board determines that a majority of the teachers or administrators support the organization, it shall certify the organization as the exclusive representative of the teachers or administrators.~~

\* \* \*

(b) ~~Recognition granted to~~ Certification of a negotiating unit as exclusive representative shall be valid and not subject to challenge by referendum petition or otherwise for the remainder of the fiscal year in which ~~recognition is granted~~ the certification occurs and for an additional period of 12 months after final adoption of the budget for the succeeding fiscal year and shall continue thereafter until a new referendum is called for.

(c)(1)(A) A secret ballot referendum shall be held not more than 21 calendar days after 20 percent of the teachers or administrators employed by the school board present a petition requesting a referendum on the matter of representation, except during a period of prior ~~recognition~~ certification, as provided pursuant to subsection (b) of this section.

\* \* \*

Sec. 6. 21 V.S.A. § 1581 is amended to read:

§ 1581. PETITIONS FOR ELECTION; FILING, INVESTIGATIONS,  
HEARINGS, DETERMINATIONS

\* \* \*

(b)(1) The Board shall investigate the petition and if it has reasonable cause to believe that a question of representation exists shall provide for an appropriate hearing before the Board itself, a Board member thereof, or its agents appointed for that purpose upon due notice. Written notice of the hearing shall be mailed by certified mail to the parties named in the petition not less than seven days before the hearing.

(2) If the Board finds upon the record of the hearing that a question of representation exists, it shall conduct an election by secret ballot marked at the place of election and certify to the parties, in writing, the results ~~thereof~~ of the election.

(3)(A) If the Board finds upon the record of the hearing that a petition to be represented for collective bargaining filed pursuant to subdivision (a)(1)(A) of this section, which identifies a proposed bargaining representative, bears the signatures of at least 50 percent plus one of the employees in the bargaining unit, the Board shall certify the individual or labor organization identified as the bargaining representative.

(B) Certification of a representative shall only be available pursuant to this subdivision (B) when no other individual or labor organization is currently certified or recognized as the bargaining representative.

(c) In determining whether or not a question of representation exists, ~~it~~ the Board shall apply the same regulations and rules of decision regardless of the identity of the persons filing the petition or the kind of relief sought.

\* \* \*

Sec. 7. 21 V.S.A. § 1584 is amended to read:

§ 1584. PETITIONS AND ELECTION TO RESCIND  
REPRESENTATIVE'S AUTHORITY

\* \* \*

(b) No election ~~may~~ shall be conducted under this section in a bargaining unit or a subdivision within which in the preceding 12 months a valid election or certification of a representative pursuant to this subchapter has ~~been held~~ occurred.

Sec. 8. 21 V.S.A. § 1724 is amended to read:

§ 1724. CERTIFICATION PROCEDURE

\* \* \*

(e)(1) ~~It~~ Except as otherwise provided pursuant to subsection (h) of this section, in determining the representation of municipal employees in a

collective bargaining unit, the Board shall conduct an election by secret ballot of the employees and certify the results to the interested parties and to the employer. The election shall be held not more than 23 business days after the petition is filed with the Board except as otherwise provided pursuant to subdivision (4) of this subsection.

\* \* \*

(h)(1) Notwithstanding subsections (e)–(g) of this section, if following its investigation pursuant to subsection (b) of this section the Board determines that a petition to be represented for collective bargaining filed pursuant to subsection (a) of this section, which identifies a proposed bargaining agent, bears the signatures of at least 50 percent plus one of the employees in the bargaining unit, the Board shall certify the individual or labor organization identified as the bargaining agent.

(2) Certification of a bargaining agent shall only be available pursuant to this subsection when no other individual or labor organization is currently certified or recognized as the agent of the employees in the bargaining unit.

(i) No election may shall be conducted under this section in a bargaining unit or a subdivision within which in the preceding 12 months a valid election has been held.

#### Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

**Rules Suspended; Immediate Consideration; Proposal of Amendment;  
Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence  
with Proposal of Amendment**

#### H. 10.

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

An act relating to amending the Vermont Employment Growth Incentive Program.

Was taken up for immediate consideration.

Senator Harrison, for the Committee on Economic Development, Housing and General Affairs, to which was referred the bill, 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. 2016 Acts and Resolves No. 157, Sec. H.12, as amended by 2022 Acts and Resolves No. 164, Sec. 5 and 2023 Acts and Resolves No. 72, Sec. 39, is further amended to read:

Sec. H.12. VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES

Notwithstanding any provision of law to the contrary, the Vermont Economic Progress Council shall not accept or approve an application for a Vermont Employment Growth Incentive under 32 V.S.A. chapter 105, subchapter 2 on or after ~~January 1, 2025~~ January 1, 2030.

Sec. 2. 32 V.S.A. § 3325(b) is amended to read:

(b) Membership.

(1) The Council shall have 11 voting members:

~~(A) nine who are residents of the State appointed by the Governor with the advice and consent of the Senate and~~ who are knowledgeable and experienced in the subjects of community development and planning, education funding requirements, economic development, State fiscal affairs, property taxation, or entrepreneurial ventures and represent diverse geographical areas of the State and municipalities of various sizes; appointed as follows:

~~(B) one member of the Vermont House of Representatives appointed by the Speaker of the House; and~~

~~(C) one member of the Vermont Senate appointed by the Senate Committee on Committees~~

(A) seven members, appointed by the Governor with the advice and consent of the Senate;

(B) two members, at least one of whom is a current member of the House of Representatives, appointed by the Speaker of the House; and

(C) two members, at least one of whom is a current member of the Senate, appointed by the Committee on Committees.

(2)(A) The Council shall have two regional members from each region of the State, one appointed by the regional development corporation of the region and one appointed by the regional planning commission of the region.

(B) A regional member shall be a nonvoting member and shall serve during consideration by the Council of an application from ~~his or her~~ the member's region.

(3) The Council shall provide not less than 30 days' notice of a vacancy to the relevant appointing authority, which shall appoint a replacement not later than 90 days after receiving notice.

Sec. 3. 32 V.S.A. chapter 105 is amended to read:

CHAPTER 105. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM

\* \* \*

§ 3326. COST-BENEFIT MODEL

(a) The Council shall adopt and maintain a cost-benefit model for assessing and measuring the projected net fiscal cost and benefit to the State of proposed economic development activities.

(b) The Council shall not modify the cost-benefit model without the prior approval of the Joint Fiscal Committee.

(c) The Council shall consult with the Executive Branch State economist to perform the cost-benefit analysis using the cost-benefit model when considering an application for incentives under subchapter 2 of this chapter.

\* \* \*

§ 3330. PURPOSE; FORM OF INCENTIVES; ENHANCED INCENTIVES; ELIGIBLE APPLICANT

(a) Purpose. The purpose of the Vermont Employment Growth Incentive Program is to generate net new revenue to the State by ~~encouraging~~ providing incentives to a business to add for adding new payroll, create new jobs, and or make new capital investments ~~and sharing a portion of the revenue with the business~~ it otherwise would not have without the incentive.

(b) Form of incentives; enhanced incentives.

(1) The Vermont Economic Progress Council may approve an incentive under this subchapter in the form of a direct cash payment in annual installments or in the form of a forgivable loan from the Vermont Economic Development Authority.

(2) The Council may approve the following enhanced incentives:

(A) an enhanced incentive for a business in a labor market area with higher than average unemployment or lower than average wages pursuant to section 3334 of this title; and

(B) an enhanced incentive for an environmental technology business pursuant to section 3335 of this title.

(C) [Repealed.]

(c) Eligible applicant. Only a business may apply for an incentive pursuant to this subchapter.

## § 3331. DEFINITIONS

As used in this subchapter:

(1) “Award period” means the consecutive five years during which a business may apply for an incentive under this subchapter.

(2) “Base employment” means the number of full-time Vermont jobs held by non-owner employees as of the date a business with an approved application commences its proposed economic activity.

(3) “Base payroll” means the Vermont gross salaries and wages paid as compensation to full-time Vermont jobs held by non-owner employees as of the date a business with an approved application commences its proposed economic activity.

(4) “Capital investment performance requirement” means the minimum value of additional investment in one or more capital improvements.

(5) “Economically disadvantaged region” means a labor market area in which:

(A) the average annual unemployment rate is greater than the average annual unemployment rate for the State; or

(B) the average annual wage is less than the average annual wage for the State.

(6) “Jobs performance requirement” means the minimum number of qualifying jobs a business must add.

~~(6)~~(7) “Labor market area” means a labor market area as designated by the Vermont Department of Labor.

~~(7)~~(8) “Non-owner” means a person with ~~no~~ not more than 10 percent ownership interest, including attribution of ownership interests of the person’s spouse, parents, spouse’s parents, siblings, and children.

~~(8)~~(9) “Payroll performance requirement” means:

~~(A) the~~ The minimum value of Vermont gross salaries and wages a business must pay as compensation for one or more qualifying jobs.

(B) For purposes of the forgivable loan incentive, a qualifying business that maintains at minimum the same number of full-time employees on its payroll throughout the term of the loan agreement.

(10) “Qualifying business” shall only apply to forgivable loan applicants and means a business that has 50 or fewer full-time employees.

~~(9)~~(11) “Qualifying job” means a new, permanent position in Vermont

that meets each of the following criteria:

(A) The position is filled by a non-owner employee who regularly works at least 35 hours each week.

(B) The business provides compensation for the position that equals or exceeds the wage threshold.

(C) The business provides for the position at least three of the following:

(i) health care benefits with 50 percent or more of the premium paid by the business;

(ii) dental assistance;

(iii) paid vacation;

(iv) paid holidays;

(v) child care;

(vi) other extraordinary employee benefits;

(vii) retirement benefits; and

(viii) other paid time off, excluding paid sick days.

(D) The position is not an existing position that the business transfers from another facility within the State.

(E) When the position is added to base employment, the business's total employment exceeds its average annual employment during the two preceding years, unless the Council determines that the business is establishing a significantly different, new line of business and creating new jobs in the new line of business that were not part of the business prior to filing its application.

~~(10)~~(12) "Utilization period" means each year of the award period and the ~~four~~ two years immediately following each year of the award period.

~~(11)~~(13) "Vermont gross wages and salaries" means Medicare wages as reported on Federal Tax Form W-2 to the extent those wages are Vermont wages, excluding income from nonstatutory stock options.

~~(12)~~(14) "Wage threshold" means the minimum amount of annualized Vermont gross wages and salaries a business must pay for a qualifying job, as required by the Council in its discretion, but not less than:

(A) 60 percent above the State minimum wage at the time of application; or

(B) for a business located in a labor market area in which the average annual unemployment rate is higher than the average annual unemployment rate for the State, 40 percent above the State minimum wage at the time of application.

§ 3332. APPLICATION; APPROVAL CRITERIA

(a) Application.

(1) A business may apply for:

(A) an a direct-cash payment incentive in one or more years of an award period by submitting an application to the Council in the format the Council specifies for that purpose; or

(B) a forgivable loan incentive from the Vermont Economic Development Authority by submitting an application to the Council in the format the Council specifies, provided it is a qualifying business as defined in subdivision 3331(10) of this title.

(2) For each award year the business applies for ~~an a~~ direct-cash payment incentive, the business shall:

(A) specify a payroll performance requirement;

(B) specify a jobs performance requirement or a capital investment performance requirement, or both; and

(C) provide any other information the Council requires to evaluate the application under this subchapter.

(3) In a forgivable loan incentive application, the business shall be required to:

(A) specify a payroll performance requirement;

(B) specify a jobs performance requirement or a capital investment performance requirement, or both; and

(C) provide any other information the Council requires to evaluate the application under this subchapter.

(b) Mandatory criteria. The Council shall not approve an application for the Vermont Employment Growth Incentive program or the forgivable loan incentive unless it finds:

(1) Except as otherwise provided for an enhanced incentive for a business in a qualifying labor market area under section 3334 of this title, the new revenue the proposed activity would generate to the State would exceed the costs of the activity to the State.

(2) The host municipality welcomes the new business.

(3) Pursuant to a self-certification or other documentation the Council requires by rule or procedure, the business attests to the best of its knowledge:

(A) the business is not a named party to an administrative order, consent decree, or judicial order issued by the State or a subdivision of the State, or if a named party, that the business is in compliance with the terms of such an order or decree;

(B) the business complies with applicable State laws and rules; and

(C) the proposed economic activity would conform to applicable town and regional plans and with applicable State laws and rules.

(4) If the business proposes to expand within a limited local market, an incentive would not give the business an unfair competitive advantage over other Vermont businesses in the same or similar line of business and in the same limited local market.

(5) But for the incentive, the proposed economic activity:

(A) would not occur; or

(B) would occur in a significantly different manner that is significantly less desirable to the State.

(c) Forgivable loan incentive.

(1) Vermont Economic Development Authority, in coordination with the Council, and in accordance with the approval criteria set forth this section, shall have the authority to review and approve an application for a forgivable loan incentive for a qualifying business.

(2) The Vermont Economic Development Authority shall provide the underwriting and loan decision for an eligible application.

(3) The Vermont Economic Development Authority shall establish loan loss reserves, which shall be supported by funds appropriated by the General Assembly for this purpose.

(4) A business denied a forgivable loan incentive may apply for other incentives administered by the Council pursuant to this subchapter.

(d) A qualifying business is not eligible for a forgivable loan incentive if it has another incentive pending pursuant to this subchapter.

#### § 3333. CALCULATING THE VALUE OF AN INCENTIVE

(a) Except as otherwise provided for an enhanced incentive for a business in a qualifying labor market area under section 3334 of this title ~~or~~, an

enhanced incentive for an environmental technology business under section 3335 of this title, or a forgivable loan pursuant to subsection 3332(c) of this title and subsection (b) of this section, the Council shall calculate the value of ~~an~~ a direct-cash payment incentive for an award year as follows:

(1) Calculate ~~new revenue growth benefit~~. To calculate ~~new revenue growth benefit~~, the Council shall use ~~the~~ a cost-benefit model created pursuant to section 3326 of this title to determine the amount by which the ~~new revenue benefit~~ generated by the proposed economic activity to the State exceeds the costs of the activity to the State.

(2) Calculate the business's potential share of ~~new revenue growth benefit~~. Except as otherwise provided for an environmental technology business in section 3335 of this title, to calculate the business's potential share of ~~new revenue growth benefit~~, the Council shall multiply the ~~new revenue growth benefit~~ determined under subdivision (1) of this subsection by 80 percent.

(3) Calculate the incentive percentage. To calculate the incentive percentage, the Council shall divide the business's potential share of ~~new revenue growth benefit~~ by the sum of the business's annual payroll performance requirements.

(4) Calculate qualifying payroll. To calculate qualifying payroll, the Council shall subtract from the payroll performance requirement the projected value of background growth in payroll for the proposed economic activity.

(5) Calculate the value of the incentive. To calculate the value of the incentive, the Council shall multiply qualifying payroll by the incentive percentage.

(6) Calculate the amount of the annual installment payments. To calculate the amount of the annual installment payments, the Council shall:

(A) divide the value of the incentive by ~~five~~ three; and

(B) adjust the value of the first installment payment so that it is proportional to the actual number of days that new qualifying employees are employed in the first year of hire.

(b) Forgivable loan incentive program; loan amount and terms.

(1) To determine the dollar amount for a forgivable loan incentive, the Council shall:

(A) multiply the number of full-time employees of a qualifying business by a maximum of \$5,000.00, with a maximum total award of \$200,000.00; and

(B) take the lesser of 20 percent of total capital investments made by the qualifying business or \$500,000.00.

(2) A qualifying business that is approved for a forgivable loan incentive and receives the loan funds shall make monthly interest payments on the loan at a rate determined by the Vermont Economic Development Authority during the loan term and pursuant to the loan agreement.

(3) The Department of Taxes shall verify the total amount of increase from base payroll and full-time employee count of the qualifying business during the loan term.

(4) The Vermont Economic Development Authority shall verify the total amount of capital investment during the loan term.

(5) The Department of Taxes shall not approve the forgiveness of a loan to a qualifying business pursuant to this subchapter unless it finds that:

(A) at the end of the loan term, the Vermont Economic Development Authority has verified that the qualifying business has made the required amount, if any, of capital investment agreed in the loan agreement; and

(B) at the end of the loan term, the qualifying business has satisfied the payroll performance requirement pursuant to this subchapter and as agreed in the loan agreement.

(6) Upon verification that the requirements of this subsection are met, the Department of Taxes shall pay the Vermont Economic Development Authority for the full amount of a loan that has been forgiven.

\* \* \*

#### § 3337. EARNING AN INCENTIVE

(a) Earning an a direct-cash incentive; installment payments.

\* \* \*

#### § 3339. RECAPTURE; REDUCTION; REPAYMENT

\* \* \*

(c) Repayment of forgivable loan incentives.

(1) At the end of the loan term, upon verification by the Department of Taxes that the business failed to meet the payroll performance requirement, the business shall repay the Vermont Economic Development Authority in an amount and manner established in the loan agreement.

(2) At the end of the loan term, upon verification by the Vermont Economic Development Authority that the business failed to make the required amount of capital investment, the business shall repay the Vermont Economic



Development Authority in an amount and manner established in the loan agreement.

(d) Tax liability.

(1) A person who has the duty and authority to remit taxes under this title shall be personally liable for an installment payment that is subject to recapture under this section.

(2) For purposes of this section, the Department of Taxes may use any enforcement or collection action available for taxes owed pursuant to chapter 151 of this title.

§ 3340. REPORTING

(a) On or before September 1 of each year, the Vermont Economic Progress Council and the Department of Taxes shall submit a joint report on the incentives authorized in this subchapter to the House Committees on Ways and Means, on Commerce and Economic Development, and on Appropriations, to the Senate Committees on Finance, on Economic Development, Housing and General Affairs, and on Appropriations, and to the Joint Fiscal Committee.

(b) The Council and the Department shall include in the joint report:

(1) the total amount of incentives authorized during the preceding year;

(2) with respect to each business with an approved application:

(A) the date and amount of authorization;

(B) the calendar year or years in which the authorization is expected to be exercised;

(C) whether the authorization is active; and

(D) the date the authorization will expire; and

(E) NAICS code; and

(3) the following aggregate information for claims processed:

(A) the number of claims and incentive payments made in the current and prior claim years;

(B) the number of qualifying jobs for each claim processed; and

(C) the amount of new payroll and capital investment for each claim processed.

(c)(1) The Council and the Department shall present data and information in the joint report in a searchable format.

(2) Notwithstanding a provision of this section to the contrary, when reporting data and information pursuant to this section, the Council and Department shall take steps necessary to avoid disclosing any information that would enable the identification of an individual employee or the employee's compensation.

(d) Notwithstanding any provision of law to the contrary, an incentive awarded pursuant to this subchapter shall be treated as a tax expenditure for purposes of chapter 5 of this title.

§ 3341. CONFIDENTIALITY OF PROPRIETARY BUSINESS INFORMATION

\* \* \*

(c) Nothing in this section shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information ~~so long as~~, provided the data are disclosed in a form that cannot identify or be associated with a particular business.

\* \* \*

Sec. 4. ONE-TIME APPROPRIATION FOR FORGIVABLE LOAN; ELIGIBILITY IN FY 2025

(a) Appropriation. In fiscal year 2025, the General Assembly shall appropriate \$350,000.00 from the General Fund to the Vermont Economic Development Authority for the purpose of establishing the loan loss reserve for forgivable loan track program created in this act.

(b) Eligibility. For fiscal year 2025, only a business in the State that incurred economic loss due to 2023 flooding events and is located in a Vermont county that was listed in President Biden's disaster declarations dated July 14, 2023, October 6, 2023, and March 2, 2024 is eligible for the forgivable loan track program created in this act. Such a business is still subject to the forgivable loan application criteria and other terms set forth in this act. Economic loss shall be confirmed by the Vermont Economic Progress Council.

Sec. 5. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that Sec. 2, 32 V.S.A. § 3325(b), shall take effect on April 1, 2025.

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 Senate propose to the House that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs with the following amendments thereto:

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

Sec. 1. 2016 Acts and Resolves No. 157, Sec. H.12, as amended by 2022

Acts and Resolves No. 164, Sec. 5 and 2023 Acts and Resolves No. 72, Sec. 39, is further amended to read:

Sec. H.12. VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES

Notwithstanding any provision of law to the contrary, the Vermont Economic Progress Council shall not accept or approve an application for a Vermont Employment Growth Incentive under 32 V.S.A. chapter 105, subchapter 2 on or after ~~January 1, 2025~~ January 1, 2027.

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

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

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

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

**Rules Suspended; Immediate Consideration; Third Reading Ordered;  
Rules Suspended; Bill Passed in Concurrence with Proposal of  
Amendment**

**H. 626.**

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

An act relating to animal welfare.

Was taken up for immediate consideration.

Senator Watson, for the Committee on Government Operations, to which was referred the bill, reported recommending that the Senate propose to the House to amend the bill as follows:

In Sec. 1, 20 V.S.A. chapter 190 (Division of Animal Welfare), in subdivision 3202(b)(1)(G), after “standards of care for animals housed” and before “by animal shelters or rescue organization” by inserting the words or imported

and in subsection 3202(c), after “with animal welfare responsibilities” and before “to quantify the amount of time” by inserting the words to estimate the number and type of animal welfare complaints received by State agencies and

and in subdivision 3203(b)(1), by striking out “50” where it appears and inserting in lieu thereof 67

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.

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 amended as recommended by the Committee on Government Operations.

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

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

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

**Rules Suspended; Immediate Consideration, Proposals of Amendment;  
Third Reading Ordered;**

**H. 612.**

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

An act relating to miscellaneous cannabis amendments.

Was taken up for immediate consideration.

Senator Harrison, for the Committee on Economic Development, Housing and General Affairs, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill as follows:

First: By striking out Sec. 2, 7 V.S.A. § 861(18), in its entirety and inserting in lieu thereof the following:

Sec. 2. [Deleted.]

Second: By adding a new section to be Sec. 2a to read as follows:

Sec. 2a. 7 V.S.A. § 864 is amended to read:

§ 864. ADVERTISING

\* \* \*

(b) A cannabis establishment advertisement shall not contain any statement or illustration that:

- (1) is deceptive, false, or misleading;
- (2) promotes overconsumption;
- (3) represents that the use of cannabis has curative effects;
- (4) ~~offers a prize, award, or inducement for purchasing cannabis or a cannabis product, except that price discounts are allowed;~~ [Repealed.]
- (5) offers free samples of cannabis or cannabis products;
- (6) depicts a person under 21 years of age consuming cannabis or cannabis products; or
- (7) is designed to be or has the effect of being particularly appealing to persons under 21 years of age.

\* \* \*

Third: In Sec. 4, 7 V.S.A. § 881, in subdivision (a)(5), by striking out subdivision (G) in its entirety and inserting in lieu thereof a new subdivision (G) to read as follows:

(G) requirements for a medical-use endorsement, including rules regarding:

- (i) protection of patient privacy and confidential records;
- (ii) enhanced training and educational requirements for employees who interact with patients;

(iii) segregation of cannabis products that are otherwise prohibited for sale to nonmedical customers pursuant to subdivisions 868(a)(1) and (b)(1) of this title;

(iv) record-keeping;

(v) delivery;

(vi) access for patients under 21 years of age; and

(vii) health and safety requirements.

Fourth: By adding a new section to be Sec. 7a to read as follows:

Sec. 7a. 7 V.S.A. § 952(e) is added to read:

(e)(1) A person who is 21 years of age or older who applies to be a registered patient shall provide the Board with a Health Care Professional Verification Form as required pursuant to rules adopted by the Board.

(2) A person who is under 21 years of age who applies to be a registered patient shall provide the Board with a Health Care Professional Verification Form from a health care professional who has a treating or consulting relationship of not less than three months' duration with the applicant, in the course of which the health care professional has completed a full assessment of the applicant's medical history and current medical condition, including a personal physical examination. The three-month requirement shall not apply if:

(A) an applicant has been diagnosed with:

(i) a terminal illness;

(ii) cancer; or

(iii) acquired immune deficiency syndrome;

(B) an applicant is currently under hospice care;

(C) an applicant had been diagnosed with a qualifying medical condition by a health care professional in another jurisdiction in which the applicant had been formerly a resident and the patient, now a resident of Vermont, has the diagnosis confirmed by a health care professional in this State or a neighboring state as permitted by subdivision 951(5)(B) of this title, and the new health care professional has completed a full assessment of the patient's medical history and current medical condition, including a personal physical examination;

(D) a patient who is already on the Registry changes health care professionals three months or less prior to the renewal of the patient's registration, provided the patient's new health care professional has completed

a full assessment of the patient's medical history and current medical condition, including a personal physical examination;

(E) an applicant is referred by the patient's health care professional to another health care professional who has completed advanced education and clinical training in specific qualifying medical conditions, and that health care professional conducts a full assessment of the applicant's medical history and current medical condition, including a personal physical examination; or

(F) an applicant's qualifying medical condition is of recent or sudden onset.

Fifth: By adding a new section to be Sec. 11a to read as follows:

Sec. 11a. CANNABIS CONTROL BOARD REPORTING; MEDICAL  
CANNABIS REGISTRY

(a) The Cannabis Control Board shall work in consultation with the Vermont Department of Health, the Vermont Medical Society, the Green Mountain Patients' Alliance, the Cannabis Retailers Association of Vermont, and other interested parties to assess the efficacy of the Medical Cannabis Program in serving registered and prospective patients. The assessment shall include recommendations regarding:

(1) improvements to the process of evaluating and approving new qualifying conditions;

(2) improvements to how the use of cannabis is communicated to patients and patients' providers; and

(3) appropriate regulations regarding electronic or battery-powered devices that contain or are designed to deliver cannabis into the body through the inhalation of vapor.

(b) The Board shall provide recommendations regarding the Medical Cannabis Registry to the Senate Committee on Health and Welfare and the House Committee on Human Services on or before November 15, 2024.

Sixth: In Sec. 12, 20 V.S.A. § 2730(b), by striking out subdivision (5) in its entirety and inserting in lieu thereof a new subdivision (5) to read as follows:

(5) A building that is used in the outdoor cultivation of cannabis by a person licensed pursuant to 7 V.S.A. chapter 33 in accordance with such chapter and related rules with fewer than the equivalent of 10 full-time employees who are not family members and who do not work more than 26 weeks a year.

Seventh: By adding a new section to be Sec. 15a to read as follows:

Sec. 15a. CANNABIS BUSINESS DEVELOPMENT FUND; CANNABIS SOCIAL EQUITY WORKING GROUP

(a) Creation. There is created the Cannabis Social Equity Working Group for the purpose of making recommendations to the General Assembly regarding a percentage of cannabis excise tax monies that should be appropriated to the Cannabis Business Development Fund for uses as provided pursuant to 7 V.S.A. § 987.

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

- (1) a representative of the Vermont Racial Justice Alliance;
  - (2) a representative of the Green Mountain Patients' Alliance;
  - (3) the Executive Director of the Cannabis Control Board or designee;
  - (4) a representative of the Vermont Land Access and Opportunity Board;
  - (5) the Executive Director of Racial Equity or designee;
  - (6) the Chair of the Racial Disparities in the Criminal and Juvenile Justice System Advisory Panel;
  - (7) the Chair of the Health Equity Advisory Commission or designee;
- and
- (8) the Secretary of the Agency of Commerce and Community Development or designee.

(c) Assistance. The Working Group shall have the assistance of the Cannabis Control Board for purposes of scheduling and staffing meetings and developing and submitting the recommendations.

(d) Recommendations.

(1) The Working Group shall submit its recommendations to the General Assembly on or before November 15, 2024.

(2) The Working Group shall cease to exist on January 1, 2025.

Eighth: By striking out Secs. 16, 7 V.S.A. § 869, and 17, 24 V.S.A. § 4414a, in their entirety and inserting in lieu thereof the following:

Sec. 16. [Deleted.]

Sec. 17. [Deleted.]

Ninth: By striking out Sec. 18 (effective date) in its entirety and inserting in lieu thereof new Secs. 18-21 to read as follows:



Sec. 18. 7 V.S.A. § 869 is amended to read:

§ 869. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND USE STANDARDS; REGULATION OF CULTIVATION

(a) A cannabis establishment shall not be regulated as “farming” under the Required Agricultural Practices, 6 V.S.A. chapter 215, or other State law, and cannabis produced from cultivation shall not be considered an agricultural product, farm crop, or agricultural crop for the purposes of 32 V.S.A. chapter 124, 32 V.S.A. § 9741, or other relevant State law.

(b) The cultivation, processing, and manufacturing of cannabis regulated under this chapter shall comply with all applicable State, federal, and local environmental, energy, or public health law, unless otherwise provided under this chapter.

(c) A cannabis establishment regulated under this chapter shall be subject to regulation under 24 V.S.A. chapter 117 as authorized by this chapter, unless otherwise provided under this chapter.

\* \* \*

(f) Notwithstanding subsection (a) of this section, a cultivator licensed under this chapter who initiates cultivation of cannabis outdoors on a parcel of land shall:

(1) be regulated in the same manner as “farming” and not as “development” on the tract of land where cultivation occurs for the purposes of permitting under 10 V.S.A. chapter 151;

(2) not be regulated by a municipal bylaw adopted under 24 V.S.A. chapter 117 in the same manner that Required Agricultural Practices are not regulated by a municipal bylaw under 24 V.S.A. § 4413(d)(1)(A);

(3) be eligible to enroll in the Use Value Appraisal Program under 32 V.S.A. chapter 124 for the cultivation of cannabis; and

(4) be exempt under 32 V.S.A. § 9741(3), (25), and (50) from the tax on retail sales imposed under 32 V.S.A. § 9771; ~~and~~

~~(5) be entitled to the rebuttable presumption that cultivation does not constitute a nuisance under 12 V.S.A. chapter 195 in the same manner as “agricultural activities” are entitled to the rebuttable presumption, provided that, notwithstanding 12 V.S.A. § 5753(a)(1)(A), the cultivation is complying with subsections (b) and (d) of this section.~~

(g) The cannabis plant canopy of an outdoor cultivator of cannabis licensed under this chapter shall be set back at least 50 feet from a property boundary or edge of a highway.

Sec. 19. APPLICATION OF OUTDOOR CANNABIS CULTIVATION  
SETBACK; REPEAL

(a) The setback requirement established under 7 V.S.A. § 869(g) shall apply only to new outdoor cannabis cultivation licenses issued after July 1, 2024.

(b) 7 V.S.A. § 869(g) shall be repealed on July 1, 2025.

Sec. 20. CANNABIS CONTROL BOARD REPORT; SITING OF  
OUTDOOR CANNABIS CULTIVATION

(a) On or before December 15, 2024, the Cannabis Control Board shall submit to the Senate Committees on Government Operations and on Economic Development, Housing and General Affairs and the House Committees on Government Operations and Military Affairs and on Commerce and Economic Development a report regarding the siting and licensing of outdoor cannabis cultivation. The report shall:

(1) summarize the current impact of outdoor cultivation on local municipalities;

(2) summarize the impact of establishing various siting requirements to existing licensed outdoor cultivators;

(3) address whether and how to authorize municipalities to establish local cultivation districts;

(4) address whether and how outdoor cultivation of cannabis should be entitled to the rebuttable presumption that cultivation does not constitute a nuisance under 12 V.S.A. chapter 195; and

(5) recommend whether local cannabis control commissions established pursuant to 7 V.S.A. chapter 33 should be granted additional authority to regulate outdoor cannabis cultivators.

(b) The Cannabis Control Board shall consult with the Vermont League of Cities and Towns, the Cannabis Equity Coalition, the Vermont Medical Society, the Cannabis Retailers Association of Vermont, and other interested stakeholders in developing the report required under subsection (a) of this section.

(c) As part of the report required under subsection (a) of this section, the Cannabis Control Board shall address the impact of modifying the law governing cannabis advertising.

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**Sec. 21. EFFECTIVE DATES**

Sec. 6, 7 V.S.A. § 910, shall take effect on July 1, 2025, and the remainder of the act shall take effect on passage.

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 bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Economic Development, Housing and General Affairs.

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 Economic Development, Housing and General Affairs.

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

**Rules Suspension Refused****H. 875**

Senator Baruth, moved the rules be suspended and House bill entitled:

An act relating to the State Ethics Commission and the State Code of Ethics.

Be placed in all remaining stages of passage, which was disagreed to on a division, Yeas 19, Nays 7 (3/4ths majority not being attained).

**Rules Suspended; Bills Messaged**

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

**H. 10, H. 233, H. 626, H. 645, H. 868, H. 877, H. 888.**

**Rules Suspended; Action Messaged**

On motion of Senator Baruth, the rules were suspended, and action on the following bill was ordered messaged to the House forthwith:

**S. 102**

**Adjournment**

On motion of Senator Baruth the Senate adjourned until ten o'clock in the forenoon.

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**FRIDAY, MAY 10, 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. 75**

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. 159.** An act relating to the County and Regional Governance Study Committee.

And has passed the same in concurrence.

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

**S. 253.** An act relating to building energy codes.

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 concurred in the adoption of a proposed amendment to the Vermont Constitution entitled:

**Prop 4.** Declaration of rights; government for the people; equality of rights.

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

**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. 661.** An act relating to child abuse and neglect investigation and substantiation standards and procedures.

**H. 707.** An act relating to revising the delivery and governance of the Vermont workforce system.

**H. 745.** An act relating to the Vermont Parentage Act.

**H. 794.** An act relating to services provided by the Vermont Veterans' Home.

**H. 847.** An act relating to peer support provider and recovery support specialist certification.

**H. 871.** An act relating to the development of an updated State aid to school construction program.

And has severally concurred therein.

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

**H. 687.** An act relating to community resilience and biodiversity protection through land use.

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

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

**S. 30.** An act relating to creating a Sister State Program.

And has concurred therein.

**House Proposal of Amendment Concurred In with Proposals of  
Amendment**

**S. 192.**

House proposal of amendment to Senate bill entitled:

An act relating to forensic facility admissions criteria and processes.

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:

\* \* \* Purpose \* \* \*

Sec. 1. PURPOSE

It is the purpose of this act to:

(1) enable the Commissioner of Mental Health to seek treatment for individuals at a secure residential recovery facility, regardless of a previous order of hospitalization, and at a psychiatric residential treatment facility for youth; and

(2) update the civil commitment procedures for individuals with intellectual disabilities.

\* \* \* Involuntary Commitment of Individuals with Mental Illness \* \* \*

Sec. 2. 13 V.S.A. § 4822 is amended to read:

§ 4822. FINDINGS AND ORDER; PERSONS WITH A MENTAL ILLNESS

(a) If the court finds that the person is a person in need of treatment or a patient in need of further treatment as defined in 18 V.S.A. § 7101, the court shall issue an order of commitment directed to the Commissioner of Mental Health that shall admit the person to the care and custody of the Department of Mental Health for ~~an indeterminate~~ 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.

\* \* \*

(c)(1) Notwithstanding the provisions of subsection (b) of this section, at least 10 days prior to the proposed discharge of any person committed under this section, the Commissioner of Mental Health shall give notice of the discharge to the committing court and State's Attorney of the county where the prosecution originated. In all cases requiring a hearing prior to discharge of a person found incompetent to stand trial under section 4817 of this title, the hearing shall be conducted by the committing court issuing the order under that section. In all other cases, when the committing court orders a hearing under subsection (a) of this section or when, in the discretion of the Commissioner of Mental Health, a hearing should be held prior to the discharge, the hearing shall be held in the Family Division of the Superior Court to determine if the committed person is no longer a person in need of treatment or a patient in need of further treatment as set forth in subsection (a) of this section. Notice of the hearing shall be given to the Commissioner, the State's Attorney of the county where the prosecution originated, the committed person, and the person's attorney. Prior to the hearing, the State's Attorney may enter an appearance in the proceedings and may request examination of the patient by an independent psychiatrist, who may testify at the hearing.

(2)(A) This subdivision (2) shall apply when a person is committed to the care and custody of the Commissioner of Mental Health under this section after having been found:

(i) not guilty by reason of insanity; or

(ii) incompetent to stand trial, provided that the person's criminal case has not been dismissed.

(B)(i) When a person has been committed under this section, the Commissioner shall provide notice to the State’s Attorney of the county where the prosecution originated or to the Office of the Attorney General if that office prosecuted the case:

(I) at least 10 days prior to discharging the person from:

(aa) the care and custody of the Commissioner; or

(bb) a hospital or a secure residential recovery facility to the community on an order of nonhospitalization pursuant to 18 V.S.A. § 7618;

(II) at least 10 days prior to the expiration of a commitment order issued under this section if the Commissioner does not seek continued treatment; or

(III) any time that the person elopes from the custody of the Commissioner.

(ii) When the State’s Attorney or Attorney General receives notice under subdivision (i) of this subdivision (B), the Office shall provide notice of the action to any victim of the offense for which the person has been charged who has not opted out of receiving notice. 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.

\* \* \*

Sec. 3. 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) “Department” means the Department of Mental Health.

(32) “Psychiatric residential treatment facility for youth” means a non-hospital inpatient facility that serves individuals between 12 and 21 years of age with complex mental health conditions under the direction of a physician.

(33) “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 in need of treatment within a secure setting for an extended period of time. “Secure,” when describing a secure residential

recovery facility, means that the residents can be physically prevented from leaving the facility by means of locking devices or other mechanical or physical mechanisms.

Sec. 4. 18 V.S.A. § 7253 is amended to read:

§ 7253. CLINICAL RESOURCE MANAGEMENT AND OVERSIGHT

The Commissioner of Mental Health, in consultation with health care providers as defined in section 9432 of this title, including designated hospitals, designated agencies, individuals with mental conditions or psychiatric disabilities, and other stakeholders, shall design and implement a clinical resource management system that ensures the highest quality of care and facilitates long-term, sustained recovery for individuals in the custody of the Commissioner.

(1) For the purpose of coordinating the movement of individuals across the continuum of care to the most appropriate services, the clinical resource management system shall:

\* \* \*

(J) Ensure that individuals under the custody of the Commissioner being served in a designated hospitals hospital, an intensive residential recovery facilities facility, a psychiatric residential treatment facility for youth, and ~~the~~ a secure residential recovery facility shall have access to a mental health patient representative. The patient representative shall advocate for persons receiving services and shall also foster communication between persons receiving services and health care providers. The Department of Mental Health shall contract with an independent, peer-run organization to staff the full-time equivalent of a representative of persons receiving services.

\* \* \*

Sec. 5. 18 V.S.A. § 7255 is amended to read:

§ 7255. SYSTEM OF CARE

The Commissioner of Mental Health shall coordinate a geographically diverse system and continuum of mental health care throughout the State that shall include at least the following:

(1) comprehensive and coordinated community services, including prevention, to serve children, families, and adults at all stages of mental condition or psychiatric disability;

(2) peer services, which may include:

(A) a warm line;



- 
- (B) peer-provided transportation services;
  - (C) peer-supported crisis services; and
  - (D) peer-supported hospital diversion services;
- (3) alternative treatment options for individuals seeking to avoid or reduce reliance on medications;
- (4) recovery-oriented housing programs;
  - (5) intensive residential recovery facilities;
  - (6) appropriate and adequate psychiatric inpatient capacity for voluntary patients;
  - (7) appropriate and adequate psychiatric inpatient capacity for involuntary inpatient treatment services, including persons receiving treatment through court order from a civil or criminal court; ~~and~~
  - (8) a secure residential recovery facility; and
  - (9) a psychiatric residential treatment facility for youth.

Sec. 6. 18 V.S.A. § 7256 is amended to read:

§ 7256. REPORTING REQUIREMENTS

Notwithstanding 2 V.S.A. § 20(d), the Department of Mental Health shall report annually on or before January 15 to the Senate Committee on Health and Welfare and the House Committee on ~~Human Services~~ Health Care regarding the extent to which individuals with a mental health condition or psychiatric disability receive care in the most integrated and least restrictive setting available. The Department shall consider measures from a variety of sources, including the Joint Commission, the National Quality Forum, the Centers for Medicare and Medicaid Services, the National Institute of Mental Health, and the Substance Abuse and Mental Health Services Administration. The report shall address:

- (1) use of services across the continuum of mental health services;
- (2) adequacy of the capacity at each level of care across the continuum of mental health services;
- (3) individual experience of care and satisfaction;
- (4) individual recovery in terms of clinical, social, and legal results;
- (5) performance of the State's mental health system of care as compared to nationally recognized standards of excellence;

(6) ways in which patient autonomy and self-determination are maximized within the context of involuntary treatment and medication;

(7) the number of petitions for involuntary medication filed by the State pursuant to section 7624 of this title and the outcome in each case;

(8) barriers to discharge from mental health inpatient and secure residential levels of care, including recommendations on how to address those barriers;

(9) performance measures that demonstrate results and other data on individuals for whom petitions for involuntary medication are filed; and

~~(8)~~(10) progress on alternative treatment options across the system of care for individuals seeking to avoid or reduce reliance on medications, including supported withdrawal from medications.

Sec. 7. 18 V.S.A. § 7257 is amended to read:

§ 7257. REPORTABLE ADVERSE EVENTS

(a) An acute inpatient hospital, an intensive residential recovery facility, a designated agency, a psychiatric residential treatment facility for youth, or a secure residential recovery facility shall report to the Department of Mental Health instances of death or serious bodily injury to individuals with a mental condition or psychiatric disability in the custody or temporary custody of the Commissioner.

\* \* \*

Sec. 7a. 18 V.S.A. § 7259 is amended to read:

§ 7259. MENTAL HEALTH CARE OMBUDSMAN

\* \* \*

(d) The Department of Mental Health shall provide any reportable adverse events reported pursuant to section 7257 of this title and a copy of the certificate of need for all emergency involuntary procedures performed on a person in the custody or temporary custody of the Commissioner to the Office of the Mental Health Care Ombudsman on a monthly basis.

Sec. 8. 18 V.S.A. § 7260 is added to read:

§ 7260. PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY FOR YOUTH

(a) A person or governmental entity shall not establish, maintain, or operate a psychiatric residential treatment facility for youth without first obtaining a license from the Department of Health in accordance with this section.

(b) Upon receipt of the application for a license, the Department of Health shall issue a license if it determines that the applicant and the proposed psychiatric residential treatment facility for youth meet the following minimum standards:

(1) The applicant shall be a nonprofit entity that demonstrates the capacity to operate a psychiatric residential treatment facility for youth in accordance with rules adopted by the Department of Health and in a manner that ensures person-centered care and resident dignity.

(2) The applicant shall maintain certification from the Centers for Medicare and Medicaid Services under 42 C.F.R. §§ 441.151–182.

(3) The applicant shall maintain accreditation by the Joint Commission or other accrediting organization with comparable standards recognized by the Commissioner of Mental Health.

(4) The applicant shall fully comply with standards for health, safety, and sanitation as required by State law, including standards set forth by the State Fire Marshal and the Department of Health, and municipal ordinance.

(5) Residents admitted to a psychiatric residential treatment facility for youth shall be under the care of physician licensed pursuant to 26 V.S.A. chapter 23 or 33.

(6) The psychiatric residential treatment facility for youth, including the buildings and grounds, shall be subject to inspection by the Department of Disabilities, Aging, and Independent Living, its designees, and other authorized entities at all times.

(7) The applicant shall have a clear process for responding to resident complaints, including:

(A) the designation of patient representative pursuant to section 7352 of this title;

(B) a method by which each patient shall be made aware of the compliant procedure;

(C) an appeals mechanism within a psychiatric residential treatment facility for youth;

(D) a published time frame for processing and resolving complaints and appeals within a psychiatric residential treatment facility for youth; and

(E) periodic reporting to the Department of Health of the nature of complaints filed and action taken.

(c) A license is not transferable or assignable and shall be issued only for the premises named in the application.

(d) Once licensed, a psychiatric residential treatment facility for youth shall be among the placement options for individuals committed to the custody of the Commissioner under an order of nonhospitalization.

(e) The Department of Health shall adopt rules pursuant to 3 V.S.A. chapter 25 to carry out the purposes of this section. Rules pertaining to emergency involuntary procedures shall:

(1) be identical to those rules adopted by the Department of Mental Health governing the use of emergency involuntary procedures in psychiatric inpatient units;

(2) require that a certificate of need for all emergency involuntary procedures performed at the psychiatric residential treatment facility for youth be submitted to the Department and the Mental Health Care Ombudsman in the same manner and time frame as required for hospitals; and

(3) require that data regarding the use of emergency involuntary procedures be submitted in accordance with the requirements of the Department.

(f) The Department of Health, after notice and opportunity for a hearing to the applicant or licensee, is authorized to deny, suspend, or revoke a license in any case in which it finds that there has been a substantial failure to comply with the requirements established under this section. The notice shall be served by registered mail or by personal service setting forth the reasons for the proposed action and fixing a date not less than 60 days from the date of the mailing or service, at which the applicant or licensee shall be given an opportunity for a hearing. After the hearing, or upon default of the applicant or licensee, the Department of Health shall file its findings of fact and conclusions of law. A copy of the findings and decision shall be sent by registered mail or served personally upon the applicant or licensee. The procedure governing hearings authorized by the section shall be in accordance with the usual and customary rules for hearing.

Sec. 9. 18 V.S.A. § 7503 is amended to read:

#### § 7503. APPLICATION FOR VOLUNTARY ADMISSION

(a) Any person 14 years of age or over may apply for voluntary admission to a designated hospital or psychiatric residential treatment facility for youth for examination and treatment.

(b) Before the person may be admitted as a voluntary patient, the person shall give consent in writing on a form adopted by the Department. The consent shall include a representation that:

(1) the person understands that treatment will involve inpatient status or residence at a psychiatric residential treatment facility for youth;

(2) the person desires to be admitted to ~~the~~ a hospital or a psychiatric residential treatment facility for youth, respectively;

(3) the person consents to admission voluntarily, without any coercion or duress; and

(4) the person understands that inpatient treatment or residence at a psychiatric residential treatment facility for youth may be on a locked unit, and a requested discharge may be deferred if the treating physician determines that the person is a person in need of treatment pursuant to section 7101 of this title.

(c) If the person is under 14 years of age, ~~he or she~~ the person may be admitted as a voluntary patient if ~~he or she~~ the person consents to admission, as provided in subsection (b) of this section, and if a parent or guardian makes written application.

Sec. 9a. 18 V.S.A. § 7509 is amended to read:

§ 7509. TREATMENT; RIGHT OF ACCESS

(a) Upon admission to ~~the~~ a hospital, secure residential recovery facility, or psychiatric residential treatment facility for youth pursuant to section 7503, 7508, 7617, or 7624 of this title, the person shall be treated with dignity and respect and shall be given such medical and psychiatric treatment as is indicated.

\* \* \*

(c) The person shall be requested to furnish the names of persons ~~he or she~~ that the person may want notified of ~~his or her~~ the person's hospitalization or residence and kept informed of ~~his or her~~ the person's status. The head of the hospital shall see that such persons are notified of the status of the patient person, how ~~he or she~~ the person may be contacted and visited, and how they may obtain information concerning ~~him or her~~ the person.

Sec. 9b. 18 V.S.A. § 7511 is amended to read:

§ 7511. TRANSPORTATION

(a) The Commissioner shall ensure that all reasonable and appropriate measures consistent with public safety are made to transport or escort a person

subject to this chapter to and from any ~~inpatient-setting~~ hospital, secure residential recovery facility, or psychiatric residential treatment facility for youth under the jurisdiction of the Commissioner in any manner that:

- (1) prevents physical and psychological trauma;
- (2) respects the privacy of the individual; and
- (3) represents the least restrictive means necessary for the safety of the patient.

\* \* \*

Sec. 10. 18 V.S.A. § 7612 is amended to read:

§ 7612. APPLICATION FOR INVOLUNTARY TREATMENT

(a) An interested party may, by filing a written application, commence proceedings for the involuntary treatment of an individual by judicial process.

\* \* \*

(d) The application shall contain:

- (1) The name and address of the applicant.
- (2) A statement of the current and relevant facts upon which the allegation of mental illness and need for treatment is based. The application shall be signed by the applicant under penalty of perjury.

(e) The application shall be accompanied by:

(1) a certificate of a licensed physician, which shall be executed under penalty of perjury stating that the physician has examined the proposed patient within five days after the date the petition is filed and is of the opinion that the proposed patient is a person in need of treatment, including the current and relevant facts and circumstances upon which the physician's opinion is based; or

(2) a written statement by the applicant that the proposed patient refused to submit to an examination by a licensed physician.

(f) Before an examining physician completes the certificate of examination, ~~he or she~~ the examining physician shall consider available alternative forms of care and treatment that might be adequate to provide for the person's needs without requiring hospitalization. The examining physician shall document on the certificate the specific alternative forms of care and treatment that ~~he or she~~ the examining physician considered and why those alternatives were deemed inappropriate, including information on the availability of any appropriate alternatives.

(g) If the Commissioner seeks to have the patient receive treatment in a secure residential recovery facility or a psychiatric residential treatment facility for youth, the application for an order authorizing treatment shall expressly state that such treatment is being sought. The application shall contain, in addition to the statements required by subsections (d) and (e) 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 a psychiatric residential treatment facility for youth, respectively.

Sec. 11. 18 V.S.A. § 7618 is amended to read:

§ 7618. ORDER; NONHOSPITALIZATION

(a) If the court finds that a treatment program other than hospitalization is adequate to meet the person's treatment needs, the court shall order the person to receive whatever treatment other than hospitalization is appropriate for a period of 90 days. If the treatment plan proposed by the Commissioner is for a secure residential recovery facility or a psychiatric residential treatment facility for youth, the court may at any time, on its own motion or on a motion of an interested party, review the need for treatment at the secure residential recovery facility or the psychiatric residential treatment facility for youth, respectively.

(b) If at any time during the specified period it comes to the attention of the court either that the patient is not complying with the order or that the alternative treatment has not been adequate to meet the patient's treatment needs, the court may, after proper hearing:

(1) consider other alternatives, modify its original order, and direct the patient to undergo another program of alternative treatment for the remainder of the 90-day period; or

(2) enter a new order directing that the patient be hospitalized for the remainder of the 90-day period.

Sec. 12. 18 V.S.A. § 7620 is amended to read:

§ 7620. APPLICATION FOR CONTINUED TREATMENT

\* \* \*

(d) If the Commissioner seeks to have the patient receive the further treatment in a secure residential recovery facility or a psychiatric residential treatment facility for youth, 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 a psychiatric residential treatment facility for youth, respectively.

~~(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. 13. 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 psychiatric residential treatment facility for youth, 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 the psychiatric residential treatment facility for youth, respectively.

\* \* \*

Sec. 14. 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 on an order of nonhospitalization and has been placed at a secure residential recovery facility;

(4) 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)(5) 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)(6)(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)(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)(4), and (4)(5) 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) (a)(5) 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)(6) 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.

\* \* \*

Sec. 15. 18 V.S.A. § 7628 is amended to read:

§ 7628. PROTOCOL

The Department of Mental Health shall develop and adopt by rule a strict protocol to ensure the health, safety, dignity, and respect of patients subject to administration of involuntary psychiatric medications in any designated hospital or secure residential recovery facility. This protocol shall be followed by all designated hospitals and secure residential recovery facilities administering involuntary psychiatric medications.

Sec. 15a. 18 V.S.A. § 7701 is amended to read:

§ 7701. NOTICE OF RIGHTS

~~The head of a~~ A hospital, secure residential recovery facility, and psychiatric residential treatment facility for youth shall provide reasonable means and arrangements, including the posting of excerpts from relevant statutes, for informing patients of their right to discharge and other rights and for assisting them in making and presenting requests for discharge or for application to have the patient's status changed from involuntary to voluntary.

Sec. 16. 18 V.S.A. § 7703 is amended to read:

§ 7703. TREATMENT

\* \* \*

(b) The Department shall establish minimum standards for adequate treatment as provided in this section, including requirements that, when possible, psychiatric unit staff be used as the primary source to implement emergency involuntary procedures such as seclusion and restraint. The Department shall oversee and collect information and report on data regarding the use of emergency involuntary procedures for patients admitted to a psychiatric unit, a secure residential recovery facility, or a psychiatric residential treatment facility for youth, regardless of whether the patient is under the care and custody of the Commissioner.

\* \* \* Policies Applicable to the Secure Residential Recovery Facility \* \* \*

Sec. 17. RULEMAKING; SECURE RESIDENTIAL RECOVERY FACILITY

On or before August 1, 2024, the Commissioner of Disabilities, Aging, and Independent Living, in consultation with the Commissioner of Mental Health, shall file permanent 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 amending the secure residential recovery facility section of the rule. Prior to the permanent rules taking effect, the Department shall adopt similar emergency rules that shall be deemed to have met the standard for emergency rulemaking in 3 V.S.A. § 844. Both the permanent and emergency rules shall:

(1) authorize the use of emergency involuntary procedures at a secure residential recovery facility in a manner identical to that required in rules adopted by the Department of Mental Health governing the use of emergency involuntary procedures in psychiatric inpatient units;

(2) require that a certificate of need for all emergency involuntary procedures performed at a secure residential recovery facility be submitted to the Department and the Mental Health Care Ombudsman in the same manner and time frame as required for hospitals; and

(3) authorize the administration of involuntary medication at a secure residential recovery facility in a manner identical to that required in rules adopted by the Department of Mental Health governing the use of the administration of involuntary medication in psychiatric inpatient units.

Sec. 17a. JUDICIAL REVIEW; RESIDENTS OF SECURE RESIDENTIAL RECOVERY FACILITY

Between July 1, 2024 and July 1, 2025, an individual who has been committed to the custody of the Commissioner at the secure residential recovery facility continuously since June 30, 2024 or earlier may apply to the Family Division of the Superior Court for a review as to whether the secure residential recovery facility continues to be the most appropriate and least restrictive setting necessary to serve the individual.

Sec. 18. 2021 Acts and Resolves No. 50, Sec. 3(c) is amended to read:

(c) The amount appropriated in subdivision (a)(1) of this section shall be used to construct a 16-bed Secure Residential Recovery Facility on Parcel ID# 200-5-003-001 as designated on the Town of Essex's Tax Parcel Maps for transitional support for individuals who are being discharged from inpatient psychiatric care. Through interior fit-up, versus building redesign, the 16-bed facility shall include two eight-bed wings designed with the capability to allow for separation of one wing from the main section of the facility, if necessary. Both wings shall be served by common clinical and activity spaces. ~~Neither wing shall include a locked seclusion area, and the facility shall not use emergency involuntary procedures.~~ Outdoor space shall be adequate for exercise and other activities but not less than 10,000 square feet.

Sec. 19. CERTIFICATE OF NEED

Notwithstanding the requirements of 18 V.S.A. chapter 221, subchapter 5, or any prior certificates of need issued pursuant to that subchapter, the secure residential recovery facility shall be authorized to:

- (1) use emergency involuntary procedures; and
- (2) accept patients under an initial commitment order.

Sec. 20. REPEAL; INVOLUNTARY MEDICATION REPORT

1998 Acts and Resolves No. 114, Sec. 5 (report) is repealed on July 1, 2024.

\* \* \* Persons in Need of Custody, Care, and Habilitation or Continued Custody, Care, and Habilitation \* \* \*

Sec. 21. 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.~~

\* \* \*

Sec. 22. 13 V.S.A. § 4816 is amended to read:

§ 4816. SCOPE OF EXAMINATION; REPORT; EVIDENCE

\* \* \*

(b) A competency evaluation for an individual thought to have a developmental disability shall ~~include~~ be a current evaluation by a doctoral-level psychologist trained in forensic psychology and skilled in assessing individuals with developmental disabilities.

\* \* \*

Sec. 23. 13 V.S.A. § 4817 is amended to read:

§ 4817. COMPETENCY TO STAND TRIAL; DETERMINATION

\* \* \*

(c) If a person indicted, complained, or informed against for an alleged criminal offense, an attorney or guardian acting in the person's behalf, or the State, at any time before final judgment, raises before the court before which such person is tried or is to be tried, the issue of whether such person is incompetent to stand trial, or if the court has reason to believe that such person may not be competent to stand trial, a hearing shall be held before such court at which evidence shall be received and a finding made regarding the person's competency to stand trial. However, in cases where the court has reason to believe that such person may be incompetent to stand trial due to a mental disease or mental defect, such hearing shall not be held until an examination has been made and a report submitted by an examining psychiatrist or psychologist in accordance with sections 4814–4816 of this title.

\* \* \*

Sec. 24. 13 V.S.A. § 4820 is amended to read:

§ 4820. HEARING REGARDING COMMITMENT

(a)(1) When a person charged on information, complaint, or indictment with a criminal offense:

~~(1) [Repealed.]~~

(2)(A) is found upon hearing pursuant to section 4817 of this title to be incompetent to stand trial due to a mental disease or mental defect;

~~(3)(B)~~ is not indicted upon hearing by grand jury by reason of insanity at the time of the alleged offense, duly certified to the court; or

~~(4)(C)~~ upon trial by court or jury is acquitted by reason of insanity at the time of the alleged offense;

(2) ~~the~~ The court before which such person is tried or is to be tried for such offense, shall hold a hearing for the purpose of determining whether such person should be committed to the custody of the Commissioner of Mental Health or Commissioner of Disabilities, Aging, and Independent Living, as appropriate. Such person may be confined in jail or some other suitable place by order of the court pending hearing for a period not exceeding 21 days.

(b) When a person is found to be incompetent to stand trial, has not been indicted by reason of insanity for the alleged offense, or has been acquitted by reason of insanity at the time of the alleged offense, the person shall be entitled to have counsel appointed from Vermont Legal Aid to represent the person. The Department of Mental Health and, if applicable, the Department of Disabilities, Aging, and Independent Living shall be entitled to appear and call witnesses at the proceeding.

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

Sec. 25. 13 V.S.A. § 4823 is amended to read:

§ 4823. FINDINGS AND ORDER; PERSONS WITH AN INTELLECTUAL DISABILITY

(a) If the court finds by clear and convincing evidence 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 for up to one year 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.

(b) Such order of commitment shall have the same force and effect as an order issued under 18 V.S.A. ~~§ 8843~~ chapter 206, subchapter 3 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~~ chapter 206, subchapter 3.

~~(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. [Repealed.]~~

Sec. 26. 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)(A) “Person in need of continued custody, care, and habilitation” means a person:

(i) who was previously found to be a person in need of custody, care, and habilitation;

(ii) who poses a danger of harm to others; and

(iii) for whom appropriate custody, care, and habilitation can be provided by the Commissioner in a designated program.

(B) As used in this subdivision (3), 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:

(i) has inflicted or attempted to inflict serious bodily injury to another or has committed an act that would constitute sexual conduct with a child as defined in 13 V.S.A. § 2821 or lewd and lascivious conduct with a child as provided in 13 V.S.A. § 2602 of this title; or

(ii) has exhibited behavior demonstrating that, absent treatment or programming provided by the Commissioner, there is a substantial likelihood

that the person would inflict or attempt to inflict physical or sexual harm to another.

(4) “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 13 V.S.A. § 2821 or lewd and lascivious conduct with a child as provided in 13 V.S.A. § 2602; and

(C) for whom appropriate custody, care, and habilitation can be provided by the Commissioner in a designated program.

(5) “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.]~~



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§ 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 PETITION AND ORDER FOR CONTINUED CUSTODY, CARE, AND HABILITATION

~~(a) 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.~~

~~(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.~~

~~(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.~~

~~(d) 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.~~

(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 seek continued custody, care, and habilitation 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 state 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.

(b) Upon receipt of the petition for the continued custody, care, and habilitation, the court shall hold a hearing within 14 days after the date of filing. The hearing may be continued for good cause shown.

(c) If the court finds by clear and convincing evidence at the time of the hearing that the person is a person 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.

#### § 8846. RIGHT TO INITIATE REVIEW

A person may initiate a judicial review in the Family Division of the Superior Court or an administrative review under this subchapter at any time after 90 days following a current order of commitment or continued commitment and not earlier than six months after the filing of a previous application under this section. If the court or Commissioner 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 pursuant to section 8847 of this subchapter.

#### § 8847. DISCHARGE FROM COMMITMENT

(a) A person committed under 13 V.S.A. § 4823 or this subchapter may be discharged as follows:

(1) by a Family Division Superior Court judge after review of an order of custody, care, and habilitation or an order of continued custody, care, and habilitation if the court finds that a person is not a person in need of custody, care, and habilitation or continued custody, care, and habilitation, respectively; or

(2) by administrative order of the Commissioner regarding an order of custody, care, and habilitation or an order of continued custody, care, and habilitation if the Commissioner determines that a person is no longer a person in need of custody, care, and habilitation or continued custody, care, and habilitation, respectively.

(b) A judicial or administrative order of discharge may be conditional or absolute.

(c)(1) When a person is under an order of commitment pursuant to 13 V.S.A. § 4823 or continued commitment pursuant to this subchapter, 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:

(A) at least 10 days prior to discharging a person from commitment or continued commitment;

(B) at least 10 days prior to the expiration of a commitment or continued commitment order if the Commissioner does not seek an order of continued custody, care, and habilitation; or

(C) any time that the person elopes from custody of the Commissioner and cannot be located, and there is reason to believe the person may be lost or poses a risk of harm to others.

(2) When the State's Attorney or Attorney General receives notice under subdivision (1) of this subsection, 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 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's or Attorney General's Office.

(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 or continued 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 under, continued commitment, or self-initiated review pursuant to section 8846 of this subchapter shall have a right to counsel as provided in section 7111 of this title.

\* \* \* Proposal for Enhanced Services \* \* \*

Sec. 27. INDIVIDUALS WITH INTELLECTUAL DISABILITIES;  
ENHANCED SERVICES

On or before December 1, 2024, the Department of Disabilities, Aging, and Independent Living, in consultation with Disability Rights Vermont, Vermont Legal Aid, Developmental Services State Program Standing Committee, and Vermont Care Partners, may submit an alternative proposal to the forensic facility to the House Committee on Human Services and to the Senate Committee on Health and Welfare for enhanced community-based services for those individuals committed to the Commissioner who require custody, care, and habilitation in a secure setting for brief periods of time. A proposal submitted pursuant to this subsection shall address required resources, including funding and staffing, and be eligible for funding through the Global Commitment Home- and Community-Based Services Waiver.

\* \* \* Fiscal Estimate of Competency Restoration Program \* \* \*

Sec. 28. 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.

\* \* \* Effective Date \* \* \*

Sec. 29. 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 civil commitment procedures at a secure residential recovery facility and a psychiatric residential treatment facility for youth and civil commitment procedures for individuals with an intellectual disability.”

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 proposals of amendment as follows:

First: By striking out Sec. 1, purpose, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. PURPOSE

It is the purpose of this act to:

(1) enable the Commissioner of Mental Health to seek treatment for individuals at a secure residential recovery facility, regardless of a previous order of hospitalization, and at a psychiatric residential treatment facility for youth, without precluding the future development of a forensic facility;

(2) update the civil commitment procedures for individuals with intellectual disabilities; and

(3) authorize the Department of Disabilities, Aging, and Independent Living to propose alternative options for a secure community-based residence or residences to treat individuals who have been charged with a crime and found incompetent to stand trial or adjudicated not guilty by reason of insanity, who are in the Commissioner's custody, and who require a more secure level of care than is currently available, without precluding the future development of a forensic facility.

Second: By striking out Sec. 27, individuals with intellectual disabilities; enhanced services, in its entirety and inserting in lieu thereof a new Sec. 27 to read as follows:

Sec. 27. INDIVIDUALS WITH INTELLECTUAL DISABILITIES;  
SECURE, COMMUNITY-BASED RESIDENCES

(a) The Department of Disabilities, Aging, and Independent Living shall propose alternative options, including building and staffing cost estimates, for a secure community-based residence or residences to treat individuals who have been charged with a crime and found incompetent to stand trial or adjudicated not guilty by reason of insanity, who are in the Commissioner's custody, and who require a more secure level of care than is currently available. The Commissioner shall ensure that a secure community-based residence proposed under this section would provide appropriate custody, care, and habilitation in a designated program that provides appropriate staffing and services levels in the least restrictive setting. The alternative options shall be developed in consultation with interested parties, including Disability Rights Vermont, Vermont Legal Aid, Developmental Services State Program Standing

Committee, Vermont Care Partners, and Green Mountain Self Advocates with final placement determinations made by the Commissioner. The alternative options may be eligible for funding through the Global Commitment Home- and Community-Based Services Waiver. Prior to seeking funding for constructing, purchasing, or contracting for a secure community-based residence for individuals in the Commissioner's custody, the Department shall propose to the House Committees on Human Services and on Judiciary and the Senate Committees on Health and Welfare and on Judiciary any necessary statutory modifications to uphold due process requirements.

(b) As used in this section:

(1) "Designated program" has the same meaning as in 18 V.S.A. § 8839.

(2) "Secure" means that residents may be physically prevented from leaving the residence by means of locking devices or other mechanical or physical mechanisms.

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

### **Proposal of Amendment; Third Reading Ordered**

#### **H. 878.**

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

An act relating to miscellaneous judiciary 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. 4 V.S.A. § 41 is added to read:

#### § 41. COURT SECURITY OFFICERS

(a) Authorization. The Court Administrator shall define the scope of duties for Judiciary-employed Court Security Officers. The Court Administrator shall have direct authority over Judiciary-employed Court Security Officers and may authorize them to perform judicial security officer functions necessary for the performance of their duties.

(b) Training. The Court Administrator shall develop a training program pursuant to appropriate training standards to perform judicial security officer functions. The Court Administrator shall establish a use of force policy based on State standards.

(c) Training; equipment. At the direction of the Court Administrator and with the approval of the Court Security and Safety Program Manager, Judiciary-employed Court Security Officers shall be provided with training and equipment necessary for the performance of their duties. Equipment provided pursuant to this subsection shall remain the property of the Judiciary.

(d) Coordination of Judiciary security. Judiciary-employed Court Security Officers shall provide security at court properties and at other court-related functions for the Vermont Judiciary at the direction of the Court Administrator.

(e) Construction. This section shall not be construed to limit the Court Administrator's authority to hire additional court security personnel, including private security guards and County Sheriffs.

Sec. 2. 4 V.S.A. § 355 is amended to read:

§ 355. DISQUALIFICATION OR DISABILITY OF JUDGE

When a Probate judge is incapacitated for the duties of office by absence, removal from the district, resignation, sickness, death, or otherwise or if the judge or the judge's spouse or child is heir or legatee under a will filed in the judge's district, or if the judge is executor or administrator of the estate of a deceased person in ~~his or her~~ the judge's district, or is interested as a creditor or otherwise in a question to be decided by the court, ~~he or she~~ the judge shall not act as judge. ~~The judge's duties shall be performed by a Superior judge assigned by the presiding judge of the unit.~~

Sec. 3. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

\* \* \*

(b) The Judicial Bureau shall have jurisdiction of the following matters:

\* \* \*

(4) Violations of 7 V.S.A. § ~~1005(a)~~ 1005, relating to possession of tobacco products by a person under 21 years of age.

\* \* \*

Sec. 4. 12 V.S.A. § 1913(b) is amended to read:

~~(b) Authentication, admissibility, and presumptions.~~

(1) A digital record electronically registered in a blockchain shall be self-authenticating pursuant to Vermont Rule of Evidence 902, if it is accompanied by a written declaration of a qualified person, made under oath, stating the qualification of the person to make the certification and:

- (A) the date and time the record entered the blockchain;
- (B) the date and time the record was received from the blockchain;
- (C) that the record was maintained in the blockchain as a regular conducted activity; and
- (D) that the record was made by the regularly conducted activity as a regular practice.

\* \* \*

Sec. 5. 12 V.S.A. § 3087 is amended to read:

§ 3087. ~~RECOGNIZANCE FOR TRUSTEE'S COSTS~~

~~The plaintiff in a trustee process shall give security for costs to the trustee by way of recognizance by some person other than the plaintiff. The security shall be in the sum of \$50.00 for a summons returnable to a Superior Court. If trustee process issues without a minute of the recognizance, with the name of the surety and the sum in which he or she is bound, signed by the clerk thereon, the trustee shall be discharged. [Repealed.]~~

Sec. 6. 13 V.S.A. § 3281 is amended to read:

§ 3281. SEXUAL ASSAULT SURVIVORS' RIGHTS

(a) Short title. This section may be cited as the "Bill of Rights for Sexual Assault Survivors."

(b) Definition. As used in this section, "sexual assault survivor" means a person who is a victim of an alleged sexual offense.

(c) Survivors' rights. When a sexual assault survivor makes a verbal or written report to a law enforcement officer, emergency department, sexual assault nurse examiner, or victim's advocate of an alleged sexual offense, the recipient of the report shall provide written notification to the survivor that ~~he or she~~ the survivor has the following rights:

(1) The right to receive a medical forensic examination and any related toxicology testing at no cost to the survivor in accordance with 32 V.S.A. § 1407, irrespective of whether the survivor reports to or cooperates with law enforcement. If the survivor opts to have a medical forensic examination, ~~he or she~~ the survivor shall have the following additional rights:

(A) the right to have the medical forensic examination kit or its probative contents delivered to a forensics laboratory within 72 hours of collection;



(B) the right to have the sexual assault evidence collection kit or its probative contents preserved without charge for the duration of the maximum applicable statute of limitations;

(C) the right to be informed in writing of all policies governing the collection, storage, preservation, and disposal of a sexual assault evidence collection kit;

(D) the right to be informed of a DNA profile match on a kit reported to law enforcement or on a confidential kit, on a toxicology report, or on a medical record documenting a medical forensic examination, if the disclosure would not impede or compromise an ongoing investigation; and

(E) the right to be informed of the status and location of the sexual assault evidence collection kit; and

(F) upon written request from the survivor, the right to:

(i) receive written notification from the appropriate official with custody not later than 60 days before the date of the kit's intended destruction or disposal; and

(ii) be granted further preservation of the kit or its probative contents.

(2) The right to consult with a sexual assault advocate.

(3) The right to information concerning the availability of protective orders and policies related to the enforcement of protective orders.

(4) The right to information about the availability of, and eligibility for, victim compensation and restitution.

(5) The right to information about confidentiality.

(d) Notification protocols. The Vermont Network Against Domestic and Sexual Violence and the Sexual Assault Nurse Examiner Program, in consultation with other parties referred to in this section, shall develop protocols and written materials to assist all responsible entities in providing notification to victims.

Sec. 7. 13 V.S.A. § 3401 is amended to read:

#### § 3401. DEFINITION AND PUNISHMENT OF TREASON

A person owing allegiance to this State, who levies war or conspires to levy war against the same, or adheres to the enemies thereof, giving them aid and comfort, within the State or elsewhere, shall be guilty of treason against this State and shall ~~suffer the punishment of death~~ be imprisoned for not less than

25 years with a maximum term of life and, in addition, may be fined not more than \$50,000.00.

Sec. 8. REPEALS

The following sections are repealed: 13 V.S.A. § 7101 (sentence and warrant); 13 V.S.A. § 7102 (pardon); 13 V.S.A. § 7103 (place of execution); 13 V.S.A. § 7104 (manner of confinement); 13 V.S.A. § 7105 (persons present at execution); 13 V.S.A. § 7106 (manner of execution); and 13 V.S.A. § 7107 (returns of Commissioner).

Sec. 9. 13 V.S.A. § 4056 is amended to read:

§ 4056. SERVICE

(a) A petition, ex parte temporary order, or final order issued under this subchapter shall be served in accordance with the Vermont Rules of Civil Procedure and may be served by any law enforcement officer. A court that issues an order under this chapter during court hours shall promptly transmit the order electronically or by other means to a law enforcement agency for service, and shall deliver a copy to the holding station.

(b) A respondent who attends a hearing held under section 4053, 4054, or 4055 of this title at which a temporary or final order under this subchapter is issued and who receives notice from the court on the record that the order has been issued shall be deemed to have been served. A respondent notified by the court on the record shall be required to adhere immediately to the provisions of the order. ~~However, even when the court has previously notified the respondent of the order, the court shall transmit the order for additional service by a law enforcement agency. The clerk shall mail a copy of the order to the respondent at the respondent's last known address.~~

\* \* \*

Sec. 10. 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.~~

\* \* \*

Sec. 11. 13 V.S.A. § 4816 is amended to read:

§ 4816. SCOPE OF EXAMINATION; REPORT; EVIDENCE

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\* \* \*

(e) The relevant portion of a psychiatrist's report or of a report conducted pursuant to subsection 4814(d) of this title by a doctoral-level psychologist trained in forensic psychology shall be admitted into evidence as an exhibit on the issue of the person's mental competency to stand trial and the opinion shall be conclusive on the issue if agreed to by the parties and if found by the court to be relevant and probative on the issue.

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

Sec. 12. 13 V.S.A. § 7282 is amended to read:

§ 7282. SURCHARGE

(a) In addition to any penalty or fine imposed by the court for a criminal offense or any civil penalty imposed by the Judicial Bureau for a traffic violation, including any violation of a fish and wildlife statute or regulation, violation of a motor vehicle statute, or violation of any local ordinance relating to the operation of a motor vehicle, except violations relating to seat belts and child restraints and ordinances relating to parking violations, the clerk of the court or Judicial Bureau shall levy an additional surcharge of:

\* \* \*

(8)(A) For any offense or violation committed after June 30, 2006, but before July 1, 2008, \$26.00, of which \$18.75 shall be deposited in the Victims Compensation Special Fund.

(B) For any offense or violation committed after June 30, 2008, but before July 1, 2009, \$36.00, of which \$28.75 shall be deposited in the ~~Victims~~<sup>2</sup> Victims Compensation Special Fund.

(C) For any offense or violation committed after June 30, 2009, but before July 1, 2013, \$41.00, of which ~~\$27.50~~ \$23.75 shall be deposited in the Victims Compensation Special Fund created by section 5359 of this title, and of which ~~\$13.50~~ \$10.00 shall be deposited in the Domestic and Sexual Violence Special Fund created by section 5360 of this title.

(D) For any offense or violation committed after June 30, 2013, but before July 1, 2023, \$47.00, of which ~~\$33.50~~ \$29.75 shall be deposited in the Victims Compensation Special Fund created by section 5359 of this title, and

of which ~~\$13.50~~ \$10.00 shall be deposited in the Domestic and Sexual Violence Special Fund created by section 5360 of this title.

(E) For any offense or violation committed after June 30, 2023, \$47.00, of which \$33.50 shall be deposited in the Victims Compensation Special Fund created by section 5359 of this title, and of which \$13.50 shall be deposited in the Domestic and Sexual Violence Special Fund created by section 5360 of this title.

\* \* \*

(c) SIU surcharge. In addition to any penalty or fine imposed by the court ~~or Judicial Bureau~~ for a criminal offense committed after July 1, 2009, the clerk of the court ~~or Judicial Bureau~~ shall levy an additional surcharge of \$100.00 to be deposited in the General Fund, in support of the Specialized Investigative Unit Grants Board created in 24 V.S.A. § 1940(c), and used to pay for the costs of Specialized Investigative Units.

Sec. 13. 13 V.S.A. § 7554c(e)(3) is amended to read:

(3) All records of information obtained during risk assessment or needs screening shall be stored in a manner making them accessible only to the Director of Pretrial Services and pretrial service coordinators for a period of three years, after which the records shall be maintained as required by ~~sections 117 and 218 of this title~~ 3 V.S.A. §§ 117 and 218 and any other State law. The Director of Pretrial Services shall be responsible for the destruction of records when ordered by the court.

Sec. 14. 14 V.S.A. § 4020 is amended to read:

§ 4020. LIABILITY FOR REFUSAL TO ACCEPT ACKNOWLEDGED  
STATUTORY FORM POWER OF ATTORNEY

~~(a) As used in this section, “statutory form power of attorney” means a power of attorney substantially in the form provided in section 4051 or 4052 of this title or that meets the requirements for a military power of attorney pursuant to 10 U.S.C. § 1044b, as amended.~~

~~(b)~~ Except as otherwise provided in subsection ~~(e)~~(b) of this section:

(1) a person shall either accept an acknowledged ~~statutory form~~ power of attorney or request a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title not later than seven business days after presentation of the power of attorney for acceptance;

(2) if a person requests a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title, the person shall accept the

~~statutory form~~ power of attorney not later than five business days after receipt of the certification, translation, or opinion of counsel; and

(3) a person may not require an additional or different form of power of attorney for authority granted in the ~~statutory form~~ power of attorney presented.

~~(e)~~(b) A person is not required to accept an acknowledged ~~statutory form~~ power of attorney if:

(1) the person is not otherwise required to engage in a transaction with the principal in the same circumstances;

(2) engaging in a transaction with the agent or the principal in the same circumstances would be inconsistent with federal or state law;

(3) the person has actual knowledge of the termination of the agent's authority or of the power of attorney before exercise of the power;

(4) a request for a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title is refused;

(5) the person in good faith believes that the power is not valid or that the agent does not have the authority to perform the act requested, whether or not a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title has been requested or provided; or

(6) the person makes, or has actual knowledge that another person has made, a report to the Adult Protective Services program or other appropriate entity within the Department of Disabilities, Aging, and Independent Living or to a law enforcement agency stating a good faith belief that the principal may be subject to physical or financial abuse, neglect, exploitation, or abandonment by the agent or a person acting for or with the agent.

~~(d)~~(c) A person who refuses in violation of this section to accept an acknowledged ~~statutory form~~ power of attorney is subject to:

(1) a court order mandating acceptance of the power of attorney; and

(2) liability for reasonable attorney's fees and costs incurred in any action or proceeding that confirms the validity of the power of attorney or mandates acceptance of the power of attorney.

Sec. 15. 14 V.S.A. § 4047 is amended to read:

§ 4047. GIFTS

\* \* \*

(b) An agent may make a gift of the principal's property only as the agent determines is consistent with the principal's objectives if actually known by

the agent or, if unknown, as the agent determines is consistent with the principal's best interests based on all relevant factors, including:

- (1) evidence of the principal's intent;
- (2) the principal's personal history of making or joining in the making of lifetime gifts;
- (3) the principal's estate plan;
- (4) the principal's foreseeable obligations and maintenance needs and the impact of the proposed gift on the principal's housing options, access to care and services, and general welfare;
- (5) the income, gift, estate, or inheritance tax consequences of the transaction; and
- (6) whether the proposed gift creates a foreseeable risk that the principal will be deprived of sufficient assets to cover the principal's needs during any period of Medicaid ineligibility that would result from the proposed gift.

~~(c) An agent may make a gift of the principal's property only as the agent determines is consistent with the principal's objectives if actually known by the agent and, if unknown, as the agent determines is consistent with the principal's best interests based on all relevant factors, including:~~

- ~~(1) the value and nature of the principal's property;~~
- ~~(2) the principal's foreseeable obligations and need for maintenance;~~
- ~~(3) minimization of taxes, including income, estate, inheritance, generation-skipping transfer, and gift taxes;~~
- ~~(4) eligibility for a benefit, a program, or assistance under a statute or regulation; and~~
- ~~(5) the principal's personal history of making or joining in making gifts.~~

[Repealed.]

Sec. 16. 14 V.S.A. § 4051 is amended to read:

#### § 4051. STATUTORY FORM POWER OF ATTORNEY

A document substantially in the following form may be used to create a statutory form power of attorney that has the meaning and effect prescribed by this chapter.

#### VERMONT STATUTORY FORM POWER OF ATTORNEY IMPORTANT INFORMATION

This power of attorney authorizes another person (your agent) to make decisions concerning your property for you (the principal). Your agent will be

able to make decisions and act with respect to your property (including your money) whether or not you are able to act for yourself. The meaning of authority over subjects listed on this form is explained in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127.

This power of attorney does not authorize the agent to make health-care decisions for you.

You should select someone you trust to serve as your agent. Unless you specify otherwise, generally the agent's authority will continue until you die or revoke the power of attorney or the agent resigns or is unable to act for you. Your agent is entitled to reasonable compensation unless you state otherwise in the Special Instructions.

This form does not revoke powers of attorney previously executed by you unless you initial the introductory paragraph under DESIGNATION OF AGENT that all previous powers of attorney are revoked.

This form provides for designation of one agent. If you wish to name more than one agent, you may name a coagent in the Special Instructions. Coagents are not required to act together unless you include that requirement in the Special Instructions.

If your agent is unable or unwilling to act for you, your power of attorney will end unless you have named a successor agent. You may also name a second successor agent.

This power of attorney becomes effective immediately unless you state otherwise in the Special Instructions.

If you have questions about the power of attorney or the authority you are granting to your agent, you should seek legal advice before signing this form.

#### DESIGNATION OF AGENT

I \_\_\_\_\_ (Name of Principal) ( ) revoke all previous powers of attorney and name the following person as my agent:

Name of Agent: \_\_\_\_\_

Agent's Address: \_\_\_\_\_

Agent's Telephone Number: \_\_\_\_\_

#### DESIGNATION OF SUCCESSOR AGENT(S) (OPTIONAL)

If my agent is unable or unwilling to act for me, I name as my successor agent:

Name of Successor Agent: \_\_\_\_\_

Successor Agent's Address: \_\_\_\_\_

Successor Agent's Telephone Number: \_\_\_\_\_

If my agent is unable or unwilling to act for me, I name as my second successor agent:

Name of Second Successor Agent: \_\_\_\_\_

Second Successor Agent's Address: \_\_\_\_\_

Second Successor Agent's Telephone Number: \_\_\_\_\_

#### GRANT OF GENERAL AUTHORITY

I grant my agent and any successor agent general authority to act for me with respect to the following subjects as defined in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127, together with the incidental powers enumerated in section 4033 of that chapter.

(~~INITIAL STRIKE THROUGH~~ each subject you DO NOT want to include in the agent's general authority. ~~If you wish to grant general authority over all of the subjects, you may initial "All Preceding Subjects" instead of initialing each subject.~~)

- Real Property
- Tangible Personal Property
- Stocks and Bonds
- Commodities and Options
- Banks and Other Financial Institutions
- Operation of Entity or Business
- Insurance and Annuities
- Estates, Trusts, and Other Beneficial Interests
- Claims and Litigation
- Personal and Family Maintenance
- Benefits from Governmental Programs or Civil or Military Service
- Retirement Plans
- Taxes
- ~~All Preceding Subjects~~



---

GRANT OF SPECIFIC AUTHORITY (OPTIONAL)

My agent MAY NOT do any of the following specific acts for me UNLESS I have INITIALED the specific authority listed below:

(CAUTION: Granting any of the following will give your agent the authority to take actions that could significantly reduce your property or change how your property is distributed at your death. INITIAL ONLY the specific authority you WANT to give your agent.)

An agent who is not an ancestor, spouse, or descendant may exercise authority under this power of attorney to create in the agent or in an individual to whom the agent owes a legal obligation of support an interest in my property whether by gift, rights of survivorship, beneficiary designation, disclaimer, or otherwise

Create, amend, revoke, or terminate an inter vivos, family, living, irrevocable, or revocable trust

Consent to the modification or termination of a noncharitable irrevocable trust under 14A V.S.A. § 411

Make a gift, subject to the limitations of 14 V.S.A. § 4047 (gifts) and any special instructions in this power of attorney

Consent to the modification or termination of a noncharitable irrevocable trust under 14A V.S.A. § 411

Create, amend, or change a beneficiary designation

Waive the principal's right to be a beneficiary of a joint and survivor annuity, including a survivor benefit under a retirement plan

Exercise fiduciary powers that the principal has authority to delegate

Authorize another person to exercise the authority granted under this power of attorney

Disclaim or refuse an interest in property, including a power of appointment

Exercise authority with respect to elective share under 14 V.S.A. § 319

Exercise waiver rights under 14 V.S.A. § 323

Exercise authority over the content and catalogue of electronic communications and digital assets under 14 V.S.A. chapter 125 (Vermont Revised Uniform Fiduciary Access to Digital Assets Act)

( ) Exercise authority with respect to intellectual property, including, without limitation, copyrights, contracts for payment of royalties, and trademarks

( ) Convey, or revoke or revise a grantee designation, by enhanced life estate deed pursuant to 27 V.S.A. chapter 6 of Title 27 or under common law.

LIMITATION ON AGENT’S AUTHORITY

An agent who is not my ancestor, spouse, or descendant MAY NOT use my property to benefit the agent or a person to whom the agent owes an obligation of support unless I have included that authority in the Special Instructions.

WHEN POWER OF ATTORNEY EFFECTIVE

This power of attorney becomes effective when executed unless the principal has initialed one of the following:

( ) This power of attorney is effective only upon my later incapacity. OR

( ) This power of attorney is effective only upon my later incapacity or unavailability. OR

( ) I direct that this power of attorney shall become effective when one or more of the following occurs:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EFFECTIVE DATE

This power of attorney is effective immediately unless I have indicated or stated otherwise in the section above entitled When Power of Attorney Effective or in the section below entitled Special Instructions.

SPECIAL INSTRUCTIONS (OPTIONAL)

You may give special instructions on the following lines:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EFFECTIVE DATE

~~This power of attorney is effective immediately unless I have stated otherwise in the Special Instructions.~~

NOMINATION OF GUARDIAN (OPTIONAL)

If it becomes necessary for a court to appoint a guardian of my estate or a guardian of my person, I nominate the following person(s) for appointment:

Name of Nominee for [conservator or guardian] of my estate: \_\_\_\_\_

Nominee's Address: \_\_\_\_\_

Nominee's Telephone Number: \_\_\_\_\_

Name of Nominee for guardian of my person:

\_\_\_\_\_

Nominee's Address: \_\_\_\_\_

Nominee's Telephone Number: \_\_\_\_\_

RELIANCE ON THIS POWER OF ATTORNEY

Any person, including my agent, may rely upon the validity of this power of attorney or a copy of it unless that person knows it has terminated or is invalid. Unless expressly stated otherwise, this power of attorney is durable and shall remain valid if I become incapacitated or unavailable.

SIGNATURE AND ACKNOWLEDGMENT

Your Name Printed: \_\_\_\_\_

Your Address: \_\_\_\_\_

Your Telephone Number: \_\_\_\_\_

State of: \_\_\_\_\_

County of: \_\_\_\_\_

This document was acknowledged before me on: \_\_\_\_\_ (Date)

by \_\_\_\_\_ . (Name of Principal)

(Seal, if any): \_\_\_\_\_

Signature of Notary: \_\_\_\_\_

My commission expires: \_\_\_\_\_

IMPORTANT INFORMATION FOR AGENT

Agent's Duties

When you accept the authority granted under this power of attorney, a special legal relationship is created between you and the principal. This relationship imposes upon you legal duties that continue until you resign or the power of attorney is terminated or revoked. You must:

(1) do what you know the principal reasonably expects you to do with the principal's property or, if you do not know the principal's expectations, act in the principal's best interests;

(2) act in good faith;

(3) do nothing beyond the authority granted in this power of attorney;  
and

(4) disclose your identity as an agent whenever you act for the principal by writing or printing the name of the principal and signing your own name as "agent" in the following manner: (Principal's Name) by (Your Signature) as Agent.

Unless the Special Instructions in this power of attorney state otherwise, you must also:

(1) act loyally for the principal's benefit;

(2) avoid conflicts that would impair your ability to act in the principal's best interest;

(3) act with care, competence, and diligence;

(4) keep a record of all receipts, disbursements, and transactions made on behalf of the principal;

(5) cooperate with any person that has authority to make health-care decisions for the principal to do what you know the principal reasonably expects or, if you do not know the principal's expectations, to act in the principal's best interests; and

(6) attempt to preserve the principal's estate plan if you know the plan and preserving the plan is consistent with the principal's best interests.

#### Termination of Agent's Authority

You must stop acting on behalf of the principal if you learn of any event that terminates this power of attorney or your authority under this power of attorney. Events that terminate a power of attorney or your authority to act under a power of attorney include:

(1) death of the principal;

(2) the principal's revocation of the power of attorney or your authority;

- (3) the occurrence of a termination event stated in the power of attorney;
- (4) the purpose of the power of attorney is fully accomplished; or
- (5) if you are married to the principal, a legal action is filed with a court to end your marriage, or for your legal separation, unless the Special Instructions in this power of attorney state that such an action will not terminate your authority.

#### Liability of Agent

The meaning of the authority granted to you is defined in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127. If you violate the Vermont Uniform Power of Attorney Act, or act outside the authority granted, you may be liable for any damages caused by your violation. In addition to civil liability, failure to comply with your duties and authority granted under this document could subject you to criminal prosecution.

If there is anything about this document or your duties that you do not understand, you should seek legal advice.

Sec. 17. 14 V.S.A. § 4052 is amended to read:

#### § 4052. STATUTORY SHORT FORM POWER OF ATTORNEY FOR REAL ESTATE TRANSACTIONS

(a) A document substantially in the following form may be used to create a statutory form power of attorney for a real estate transaction that has the meaning and effect prescribed by this chapter. Nothing in this section shall prohibit a principal from using this form to grant other powers to an agent with respect to real property consistent with section 4034 of this title.

#### VERMONT STATUTORY FORM POWER OF ATTORNEY IMPORTANT INFORMATION

This power of attorney authorizes another person (your agent) to take actions for you (the principal) in connection with a real estate transaction (sale, purchase, mortgage, ~~or gift,~~ or other authorized real estate transaction). Your agent will be able to make decisions and act with respect to a specific parcel of land whether or not you are able to act for yourself. The meaning of authority over subjects listed on this form is explained in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127.

#### DESIGNATION OF AGENT

I/we \_\_\_\_\_ and \_\_\_\_\_  
(Name(s) of Principal) appoint the following person as my (our) agent:

Name of Agent: \_\_\_\_\_

Name of Alternate Successor Agent: \_\_\_\_\_

Address of Property that is the subject of this power of attorney

(Street): \_\_\_\_\_, (Municipality)  
 \_\_\_\_\_, Vermont.

Transaction for which the power of attorney is given:

Sale

Purchase or Acquisition

~~Mortgage~~

Finance and/or Mortgage

Gift

Other \_\_\_\_\_

#### GRANT OF AUTHORITY

I/we grant my (our) agent and any alternate successor agent authority named in this power of attorney to act for me/us with respect to a real estate transaction involving the property with the address stated above, including, but not limited to, the powers described in 14 V.S.A. § 4034(2), (3), and (4) as provided in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127, together with the incidental powers enumerated in section 4033 of that chapter.

#### POWER TO DELEGATE

If this box is checked, each agent appointed in this power of attorney may delegate the authority to act to another person. Any delegation shall be in writing and executed in the same manner as this power of attorney.

#### TERM

This power of attorney commences when fully executed and continues until the real estate transaction for which it was given is complete.

#### SELF HEALING DEALING

If this box is checked, the agent named in this power of attorney may convey the subject real estate with or without consideration to the agent, individually, in trust, or to one or more persons with the agent.

#### CHOICE OF LAW

This power of attorney and the effect hereof shall be determined by the application of Vermont law and the Vermont Uniform Power of Attorney Act.

SIGNATURE AND ACKNOWLEDGMENT

\_\_\_\_\_  
Your Name Printed

\_\_\_\_\_  
Your Address

Your Telephone Number \_\_\_\_\_

State of \_\_\_\_\_

County of \_\_\_\_\_

This document was acknowledged before me on \_\_\_\_\_ (Date)

by \_\_\_\_\_

(Name of Principal)

\_\_\_\_\_  
(Seal, if any)

Signature of Notary \_\_\_\_\_

My Commission expires: \_\_\_\_\_

(b) A power of attorney in the form above confers on the agent the powers provided in subdivisions 4034(2), (3), and (4) of this chapter.

Sec. 18. 27 V.S.A. § 305 is amended to read:

§ 305. CONVEYANCES EFFECTED THROUGH POWER OF ATTORNEY

(a) A deed or other conveyance of lands or of an estate or interest therein, made by virtue of a power of attorney, shall not be of any effect or admissible in evidence unless the power of attorney is signed, ~~witnessed by one or more witnesses~~, acknowledged, and recorded in the office where the deed is required to be recorded.

\* \* \*

Sec. 19. 27 V.S.A. § 657 is amended to read:

§ 657. EXECUTION BY GUARDIAN; USE OF POWER OF ATTORNEY

(a) With the approval of the Probate Division, a guardian may convey the real property of a person under guardianship by an ELE deed.

(b) An ELE deed may be executed by an agent under a power of attorney if the power of attorney complies with the ~~requirements of 14 V.S.A. chapter 123~~ following, including any applicable gifting and self-dealing provisions:

(1) 14 V.S.A. chapter 123, if the ELE deed was executed before July 1, 2023; or

(2) 14 V.S.A. chapter 127, if the ELE deed was executed on or after July 1, 2023.

Sec. 20. 15 V.S.A. § 558 is amended to read:

§ 558. WOMAN SPOUSE ALLOWED TO TAKE MAIDEN PRIOR NAME

Upon granting a divorce ~~to a woman~~, unless good cause is shown to the contrary, the court ~~may~~ shall allow ~~her a spouse~~ to resume ~~her maiden~~ the spouse's prior name or the name of a former ~~husband~~ spouse.

Sec. 21. 15 V.S.A. § 788 is amended to read:

§ 788. PARENT'S RESPONSIBILITY

(a) Any parent subject to a child support or parental rights and responsibilities order shall notify in writing the court ~~which~~ that issued the most recent order and the Office of Child Support of ~~his or her~~ the parent's current mailing address and current residence address and of any change in either address within seven business days ~~of~~ after the change, until all obligations to pay support or support arrearages, or to provide for parental rights and responsibilities are satisfied. For good cause, the court may keep information provided under this subsection confidential.

(b) When a wage withholding order is in effect, either parent shall notify in writing the registry of the name and address of a new employer within seven days ~~of~~ after commencing new employment. If the Registry has received information that a parent has changed employment, it shall notify the other parent of the fact of the change but shall not disclose the identity or the location of the employer. On request of a parent, the Registry shall provide information on the other parent's wages.

(c)(1) In all cases in which a temporary or final order for relief from abuse has been entered, information provided under this section shall be kept confidential by the court. The court, for good cause shown, may release such information.

(2) For purposes of this subsection, good cause shall be deemed established when:

(A) a party to the relief from the abuse order consents to the release of the party's own information, in which case the court may release that party's information; or



(B) the temporary or final order for relief from abuse is no longer in effect.

Sec. 22. 23 V.S.A. § 203 is amended to read:

§ 203. COUNTERFEITING, FRAUD, AND MISUSE; PENALTY

(a) A person shall not:

\* \* \*

(2) display or cause or permit to be displayed, or have in ~~his or her~~ the person's possession, any fictitious or fraudulently altered operator's license, learner's permit, nondriver identification card, inspection sticker, registration certificate, or in-transit registration permit, or display for any fraudulent purpose an expired or counterfeit insurance identification card or similar document;

\* \* \*

(b)(1) Except as provided in subdivision (2) of this subsection, a violation of subsection (a) of this section shall be a traffic violation for which there shall be a penalty of not more than \$1,000.00. If a person is found to have committed the violation, the person's privilege to operate motor vehicles shall be suspended for 60 days.

(2)(A) If a person may be charged with a violation of subdivision (a)(2) of this section or with a violation of 7 V.S.A. § 656, the person shall be charged with a violation of 7 V.S.A. § 656 and not with a violation of this section.

(B) If a person may be charged with a violation of subdivision (a)(2) of this section or with a violation of 7 V.S.A. § 1005, the person shall be charged with a violation of 7 V.S.A. § 1005 and not with a violation of this section.

Sec. 23. 27 V.S.A. § 349 is amended to read:

§ 349. CONVEYANCE TO GRANTOR AND OTHERS

(a)(1) Without an intervening conveyance, a person may convey interests in real estate directly:

(1)(A) to ~~himself or herself~~ themselves in a different legal capacity; or

(2)(B) to ~~his or her~~ the person's spouse; or

(3)(C) to ~~himself or herself~~ themselves and one or more other persons, including ~~his or her~~ the person's spouse.

(2) A person shall not convey an interest in a tenancy by the entirety or in homestead property to any person except ~~his or her~~ the person's spouse, unless the spouse joins in the conveyance.

(b) A conveyance made pursuant to this section shall be effective to convey such title as would be conveyed by the deed if the grantor were not also a grantee.

Sec. 24. 27 V.S.A. § 378 is amended to read:

§ 378. EFFECT OF RECORDING UNACKNOWLEDGED DEED

A person interested in a deed or lease not acknowledged may cause the deed or lease to be recorded without acknowledgment before or during the application to the court or the proceedings before any of the authorities named in sections ~~371-376~~ 371-375 of this title; and, when so recorded in the proper office, it shall be as effectual as though the same had been duly acknowledged and recorded for 60 days thereafter. If such proceedings for proving the execution of the deed are pending at the expiration of such 60 days, the effect of such record shall continue until the expiration of six business days after the termination of the proceedings.

Sec. 25. 27 V.S.A. § 1302 is amended to read:

§ 1302. DEFINITIONS

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

\* \* \*

(7) "Common expenses" include:

(A) all sums lawfully assessed against the apartment or site owners by the association of owners;

(B) expenses of administration, maintenance, repair, or replacement of the common areas and facilities;

(C) expenses agreed upon as common expenses by the association of owners; and

(D) expenses declared common expenses by this chapter, or by the declaration or the bylaws.

\* \* \*

Sec. 26. 27 V.S.A. § 1470(a) is amended to read:

(a) ~~In~~ As used in this section, "Death Master File" means the U.S. Social Security Administration Death Master File or other database or service that is

at least as comprehensive as the U.S. Social Security Administration Death Master File for determining that an individual reportedly has died.

Sec. 27. 27 V.S.A. § 1531(b) is amended to read:

(b) Before selling property under subsection (a) of this section, the Administrator shall give notice to the public of:

- (1) the date of the sale; and
- (2) a reasonable description of the property.

Sec. 28. 27 V.S.A. § 1533(b) is amended to read:

(b) Replacement of the security or calculation of market value under subsection (a) of this section must take into account a stock split, reverse stock split, stock dividend, or similar corporate action.

Sec. 29. 27 V.S.A. § 1552(c) is amended to read:

(c) The Administrator shall decide a claim under this section not later than 90 days after it is presented. If the Administrator determines that the other state is entitled under subsection (a) of this section to custody of the property, the Administrator shall allow the claim and pay or deliver the property to the other state.

Sec. 30. 27 V.S.A. § 1595(a) is amended to read:

(a) If a holder enters into a contract or other arrangement for the purpose of evading an obligation under this chapter or otherwise willfully fails to perform a duty imposed on the holder under this chapter, the Administrator may require the holder to pay the Administrator, in addition to interest as provided in subsection 1594(a) of this title, a civil penalty of \$1,000.00 for each day the obligation is evaded or the duty is not performed, up to a cumulative maximum amount of \$25,000.00, plus 25 percent of the amount or value of property that should have been but was not reported, paid, or delivered as a result of the evasion or failure to perform.

Sec. 31. REPEAL

27 V.S.A. chapter 7, subchapter 4 (congregational churches) is repealed.

Sec. 32. CONSTRUCTION OF ACT; PROPERTY INTERESTS NOT AFFECTED

Sec. 31 of this act repeals 27 V.S.A. chapter 7, subchapter 4 for the purpose of removing the statutory duties and procedures governing the transfer of property by congregational churches. This act shall not be construed to affect a religious corporation's rights or property interest in congregational church property. This act shall not supersede any act of the General Assembly that

vested specific rights or interests in, or established specific procedures for the transfer of property by, a chartered religious corporation.

Sec. 33. 28 V.S.A. § 126 is amended to read:

§ 126. COORDINATED JUSTICE REFORM ADVISORY COUNCIL

\* \* \*

(c) Powers and duties. The Coordinated Justice Reform Advisory Council shall:

\* \* \*

(5) on or before September 1, 2023 and annually thereafter, recommend to the Commissioner of Corrections ~~the~~ a new appropriate allocation of not more than \$900,000.00 from the Justice Reinvestment II line item of the Department of Corrections' budget for the ~~upcoming~~ next fiscal year to support community-based programs and services, related data collection and analysis capacity, and other initiatives in accordance with subsection (a) of this section.

\* \* \*

(e) Reports. On or before November 15, 2023 and annually thereafter, the Coordinated Justice Reform Advisory Council shall submit recommendations pursuant to subdivisions (c)(4) and (c)(5) of this section to the Joint Legislative Justice Oversight Committee; the Senate Committees on Appropriations and on Judiciary; and the House Committees on Appropriations, on Corrections and Institutions, and on Judiciary. Any recommendations submitted pursuant to subdivision (c)(4) shall be in the form of proposed legislation. The Council shall include in its reports the efforts it has made to consult with the organizations listed in subdivision (c)(3) of this section.

\* \* \*

Sec. 34. 28 V.S.A. § 102 is amended to read:

§ 102. COMMISSIONER OF CORRECTIONS; APPOINTMENT;  
POWERS; RESPONSIBILITIES

\* \* \*

(c) The Commissioner is charged with the following responsibilities:

\* \* \*

(23) To include the Coordinated Justice Reform Advisory Council's appropriation recommendations made pursuant to subdivision 126(c)(5) of this title in the Department's annual proposed budget for the next subsequent fiscal

year for the purposes of developing the State budget required to be submitted to the General Assembly in accordance with 32 V.S.A. § 306.

Sec. 35. 29 V.S.A. § 561 is added to read:

§ 561. RELEASE OF OIL AND GAS LEASES

(a) After the expiration, cancellation, surrender, or relinquishment of an oil and gas lease, upon written request of the lessor, the lessee shall file a release or discharge of the lease in the land records of the town or towns where the lands described in the lease are located. The filing shall be in recordable form and shall include any fees.

(b) If any lessee, or the lessee's personal representative, successor, or assign, fails or refuses to record a release for a period of 30 days after being so requested, the lessee shall be liable for all damages occasioned thereby, including costs and reasonable attorney's fees.

(c) A lessor's request for release or discharge shall be in writing and delivered to the lessee by personal service or registered mail at the lessee's last known address.

Sec. 36. 29 V.S.A. § 563 is added to read:

§ 563. ABANDONMENT OF OIL AND GAS INTERESTS;  
PRESERVATION

(a) An abandoned interest in oil and gas shall revert to and merge with the surface estate from which it was severed.

(b) An interest in oil and gas is deemed abandoned at any time that:

(1) it has been unused for a continuous period of 10 years after July 1, 1973; and

(2) no statement of interest under subsection (e) of this section has been filed at any time within the preceding five years.

(c) The provisions of subsection (b) of this section shall not apply to any interest in oil or gas that has been retained by the owner who originally severed the mineral estate from the surface estate, notwithstanding that other interests in the land, including ownership of the surface, may have been sold, leased, mortgaged, or otherwise transferred.

(d) This section applies to all interests in oil and gas. It also applies to interests in other minerals if created inclusively in the same instrument that expressly creates an oil and gas interest. It does not apply to mineral interests that do not expressly include an oil and gas interest or were intended to be separate from an oil and gas interest.

(e) An interest in oil and gas is deemed used at any time in which:

(1) there is actual production of oil or gas, including production from lands covered by a lease to which an oil and gas interest is subject, or from lands pooled or unitized with such lands;

(2) oil and gas operations are conducted under the terms of the instrument creating the oil and gas interest;

(3) payment is made of rental or royalties for the purpose of delaying the use or continuing the use of the oil and gas interest;

(4) payment of taxes is made on the oil and gas interest; or

(5) there exists a currently valid permit under 10 V.S.A. chapter 151 or a currently valid drilling permit under this chapter for development of the oil and gas interest.

(f) The owner of an interest in oil or gas may file a statement of interest in the land records of any municipality in which the land affected is located. The statement shall include a description of the land affected, the nature of the interest claimed, the book and page of recording of the original grant of the interest, and the name and address of the person claiming the interest.

(g) The owner of the surface estate from which an oil and gas interest was severed may give notice of abandonment under this subsection. Notice shall contain the name of the record owner of the interest; a description of the land and the nature of the interest; the book and page of filing of the interest, if it is filed; the name and address of the person giving notice; and a statement that the interest is presumed abandoned. The notice shall be published in a newspaper of general circulation in the town or towns where the land affected is located. If the address of the owner of the oil and gas interest is shown on record, a copy of the notice shall be mailed to that address by certified or registered mail within 10 days after the date of publication.

(h) A copy of the notice under subsection (g) of this section, and an affidavit, may be filed in the land records of the municipality in which the land is located. The affidavit shall state that the oil or gas interest has been abandoned under the criteria set forth in subsection (b) of this section, and that notice of abandonment has been given under the criteria set forth in subsection (g). After the notice and affidavit have been filed, unless a court finds to the contrary, the oil and gas interest shall be presumed abandoned, and the interest of the surface owner shall be presumed for all purposes free of encumbrance from that interest.

Sec. 37. 2022 Acts and Resolves No. 165, Secs. 8–10 are amended to read:

Sec. 8. [Deleted.]

Sec. 9. [Deleted.]

Sec. 10. [Deleted.]

Sec. 38. 2022 Acts and Resolves No. 165, Sec. 11(d) is amended to read:

~~(d) Sees. 8–10 (repeal of authority to use gun suppressors while hunting) shall take effect on July 1, 2024. [Deleted.]~~

Sec. 39. REPEAL OF DEPARTMENT OF CORRECTIONS PILOT PROJECT

Sec. 2 of 2021 Acts and Resolves No. 14 (Department of Corrections pilot project requiring report to court prior to sentencing a defendant to a term of probation for a felony) is repealed.

Sec. 40. 20 V.S.A. § 4626 is added to read:

§ 4626. DRONES; OPERATION OVER PRIVATE PROPERTY WITHOUT CONSENT OF OWNER; CIVIL PENALTY

(a) A person shall not fly a drone for hobby or recreational purposes at an altitude of less than 100 feet above privately owned real property unless the person has obtained prior written consent from the property owner.

(b) A person shall not, without the prior written consent of the property owner or occupant, use a drone to record an image of privately owned real property or of the owner or occupant of the property with the intent to conduct surveillance on the person or the property in violation of the person's reasonable expectation of privacy. For purposes of this subsection, a person is presumed to have a reasonable expectation of privacy on the person's privately owned real property if the person is not observable by another person located at ground level in a place where the other person has a legal right to be, regardless of whether the person is observable from the air using a drone.

(c) A person engaged in the business of selling drones shall provide written notice to each purchaser of a drone required to be registered by the U.S. Department of Transportation about the requirements under subsections (a) and (b) of this section for flying a drone above privately owned real property without the property owner's prior written consent.

(d) A person who violates this section shall be assessed a civil penalty of not more than:

(1) \$50.00 for a first violation; or

(2) \$250.00 for a second or subsequent violation.

(e) As used in this section:

(1) “Property owner” means a person who owns, leases, licenses, or otherwise controls ownership or use of land, or an employee or agent of that person.

(2) “Surveillance” means:

(A) with respect to an owner or occupant of privately owned real property, the observation of the person with sufficient visual clarity to be able to obtain information about the person’s identity, habits, conduct, movements, or whereabouts; or

(B) with respect to privately owned real property, the observation of the property’s physical improvements with sufficient visual clarity to be able to determine unique identifying features about the property or information about its owners or occupants.

(f) This section shall not apply to the use of drones by:

(1) distribution or transmission utilities or their contractors for purposes of ensuring system reliability and resiliency; or

(2) a law enforcement officer for legitimate law enforcement purposes.

Sec. 41. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

\* \* \*

(b) The Judicial Bureau shall have jurisdiction of the following matters:

\* \* \*

(33) Violations of 20 V.S.A. § 4626, relating to flying, and providing information about flying, a drone above privately owned real property without the owner’s consent.

\* \* \*

Sec. 42. 32 V.S.A. § 9605 is amended to read:

§ 9605. PAYMENT OF TAX

(a) The tax imposed by this chapter shall be paid to the Commissioner within 30 days after transfer of title to property subject to the tax or, in the case of a transfer or acquisition of a controlling interest in a person with title to property for which a deed is not given, within 30 days after transfer or acquisition.

(b) If an agreement, instrument, memorandum, or other writing evidencing a transfer of title to property is taxed as a deed at the time of its recording, the



later recording of the deed to the property shall not be subject to the transfer tax.

(c)(1) Notwithstanding any provision of law to the contrary, in the case of a transfer of interest in property through a validly executed enhanced life estate deed recorded pursuant to 27 V.S.A. chapter 6, payment shall be due by the transferee within 30 days after transfer of title to the transferee pursuant to the deed. A completed property transfer return, noting the amount of tax due to the Department, shall be recorded along with the deed.

(2) No tax shall be due under this chapter on an enhanced life estate interest that is revoked or revised pursuant to 27 V.S.A. chapter 6, provided that, in the case of a revision, the revised enhanced life estate interest transfer shall be subject to tax under this chapter.

(3) When it appears from the land records that a property is subject to tax on an enhanced life estate interest under this chapter, a person having or claiming an interest in the property, or a person representing a person having or claiming an interest in the property may submit a notarized request to the Department for a statement that a property transfer tax on an enhanced life estate deed transfer has been paid. Notwithstanding any other provision of law, the Department shall respond to the request with a written statement that the tax has or has not been paid. If recorded in the land records, the department's response shall constitute evidence that the tax was paid.

Sec. 43. 32 V.S.A. § 9617 is amended to read:

§ 9617. NOTICES; APPEALS

Unless otherwise provided by this title:

\* \* \*

~~(8)(A) At any time within three years after the date a property is transferred, a taxpayer may petition the Commissioner in writing for the refund of all or any part of the amount of tax paid. The Commissioner shall thereafter grant a hearing subject to the provisions of 3 V.S.A chapter 25 upon the matter and notify the taxpayer in writing of the Commissioner's determination concerning the refund request. The Commissioner's determination may be appealed as provided in subdivision (5) of this section. This shall be a taxpayer's exclusive remedy with respect to the refund of taxes under this chapter, except as provided under subdivision (B) of this subsection.~~

~~(B) If the transfer taxed by this chapter was an enhanced life estate interest and that interest is revoked or revised pursuant to 27 V.S.A. chapter 6, the person who paid the tax may petition for a refund, provided that the petition is made within eight years after the date of payment of the tax and~~

~~within one year after the date of revocation or revision. No petition for a refund shall be granted for the revocation or revision of an interest that occurred eight years or more after the date of payment of the tax. In the case of a revision, the revised enhanced life estate interest transfer shall be subject to tax under this chapter.~~

Sec. 44. 27 V.S.A. § 654 is amended to read:

§ 654. EXECUTION AND RECORDING OF AN ENHANCED LIFE ESTATE DEED

(a) Subject to the rights expressly reserved in the deed, a validly executed and recorded ELE deed does not:

- (1) affect the ownership rights of the grantor or the grantor's creditors;
- (2) transfer or convey any present right, title, or interest in the property or create any present legal or equitable interest in the grantee; or
- (3) subject the grantor's property to process from the grantee's creditors.

(b) The grantor may convey the property described in an ELE deed, or any portion thereof, without the need for joinder by, consent from, agreement of, or notice to the grantee.

(c) If not previously conveyed during the lifetime of the grantor, upon the death of the grantor, subject to encumbrances of record, the interest stated in an ELE deed vests in the grantee or, for a deceased grantee, the interest passes pursuant to section 658 of this title.

(d) An executed and recorded ELE deed shall be subject to the property transfer tax ~~under~~ according to the provisions of 32 V.S.A. chapter 231 § 9605(c).

Sec. 45. 13 V.S.A. § 2606 is amended to read:

§ 2606. DISCLOSURE OF SEXUALLY EXPLICIT IMAGES WITHOUT CONSENT

(a) As used in this section:

- (1) "Disclose" includes transfer, publish, distribute, exhibit, or reproduce.
- (2) "Harm" means physical injury, financial injury, or serious emotional distress.
- (3) "Nude" means any one or more of the following uncovered parts of the human body:

- (A) genitals;
- (B) pubic area;
- (C) anus; or
- (D) post-pubescent female nipple.

(4) “Sexual conduct” shall have the same meaning as in section 2821 of this title.

(5) “Visual image” includes a photograph, film, videotape, recording, or digital reproduction, including an image created or altered by digitization.

(6) “Digitization” means the process of altering an image in a realistic manner utilizing an image or images of a person, including images other than the person depicted, or computer-generated images.

(b)(1) A person violates this section if ~~he or she~~ the person knowingly discloses a visual image of an identifiable person who is nude or who is engaged in sexual conduct, without ~~his or her~~ the person’s consent, with the intent to harm, harass, intimidate, threaten, or coerce the person depicted, and the disclosure would cause a reasonable person to suffer harm. A person may be identifiable from the image itself or information offered in connection with the image. Consent to recording or production of the visual image does not, by itself, constitute consent for disclosure of the image. A person who violates this subdivision (1) shall be imprisoned not more than two years or fined not more than \$2,000.00, or both.

(2) A person who violates subdivision (1) of this subsection with the intent of disclosing the image for financial profit shall be imprisoned not more than five years or fined not more than \$10,000.00, or both.

(c) A person who maintains an ~~Internet~~ internet website, online service, online application, or mobile application that contains a visual image of an identifiable person who is nude or who is engaged in sexual conduct shall not solicit or accept a fee or other consideration to remove, delete, correct, modify, or refrain from posting or disclosing the visual image if requested by the depicted person.

(d) This section shall not apply to:

(1) Images involving voluntary nudity or sexual conduct in public or commercial settings or in a place where a person does not have a reasonable expectation of privacy.

(2) Disclosures made in the public interest, including the reporting of unlawful conduct, or lawful and common practices of law enforcement, criminal reporting, corrections, legal proceedings, or medical treatment.

(3) Disclosures of materials that constitute a matter of public concern.

(4) Interactive computer services, as defined in 47 U.S.C. § 230(f)(2), or information services or telecommunications services, as defined in 47 U.S.C. § 153, for content solely provided by another person. This subdivision shall not preclude other remedies available at law.

(e)(1) A plaintiff shall have a private cause of action against a defendant who knowingly discloses, without the plaintiff's consent, an identifiable visual image of the plaintiff while ~~he or she~~ the plaintiff is nude or engaged in sexual conduct and the disclosure causes the plaintiff harm.

(2) In addition to any other relief available at law, the court may order equitable relief, including a temporary restraining order, a preliminary injunction, or a permanent injunction ordering the defendant to cease display or disclosure of the image. The court may grant injunctive relief maintaining the confidentiality of a plaintiff using a pseudonym.

Sec. 46. 15A V.S.A. § 3-504 is amended to read:

§ 3-504. GROUNDS FOR TERMINATING RELATIONSHIP OF PARENT AND CHILD

(a) If a respondent answers or appears at the hearing and asserts parental rights, the court shall proceed with the hearing expeditiously. If the court finds, upon clear and convincing evidence, that any one of the following grounds exists and that termination is in the best interests of the minor, the court shall order the termination of any parental relationship of the respondent to the minor:

\* \* \*

(2) In the case of a minor over six months of age at the time the petition is filed, the respondent did not exercise parental responsibility for a period of at least six months immediately preceding the filing of the petition. In making a determination under this subdivision, the court shall consider all relevant factors, which may include the respondent's failure to:

(A) ~~make reasonable and consistent payments, in accordance with his or her financial means, for the support of the minor, although legally obligated to do so; [Repealed.]~~

(B) regularly communicate or visit with the minor; or

(C) during any time the minor was not in the physical custody of the other parent, manifest an ability and willingness to assume legal and physical custody of the minor.

\* \* \*

Sec. 47. 13 V.S.A. § 3835 is added to read:

§ 3835. SURVEILLANCE DEVICES; PLACEMENT ON PRIVATE PROPERTY WITHOUT CONSENT OF OWNER; CIVIL PENALTY

(a) A person shall not place a camera or other surveillance device on any privately owned real property with the intent to conduct surveillance on the person or the property unless the person has obtained prior written consent from the property owner.

(b) A person who violates this section shall be assessed a civil penalty of not more than:

- (1) \$50.00 for a first violation; or
- (2) \$250.00 for a second or subsequent violation.

(c) This section shall not apply to the use of a camera or other surveillance device by a law enforcement officer for legitimate law enforcement purposes.

(d) As used in this section:

(1) “Property owner” means a person who owns, leases, licenses, or otherwise controls ownership or use of land, or an employee or agent of that person.

(2) “Surveillance” means:

(A) with respect to an owner or occupant of privately owned real property, the observation of the person with sufficient visual clarity to be able to obtain information about the person’s identity, habits, conduct, movements, or whereabouts; or

(B) with respect to privately owned real property, the observation of the property’s physical improvements with sufficient visual clarity to be able to determine unique identifying features about the property or information about its owners or occupants.

(3) “Surveillance device” means a device hidden or obscured from plain view that permits the observation of privately owned real property or the activities of a person on the property in a manner that invades a person’s reasonable expectation of privacy.

Sec. 48. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

\* \* \*

(b) The Judicial Bureau shall have jurisdiction of the following matters:

\* \* \*

(34) Violations of 13 V.S.A. § 3835, relating to placing a camera or other surveillance device on privately owned real property without the owner's consent.

\* \* \*

Sec. 49. INDIVIDUALS WITH INTELLECTUAL DISABILITIES;  
SECURE, COMMUNITY-BASED RESIDENCES

(a) In fiscal year 2025, the Department of Disabilities, Aging, and Independent Living may construct, develop, purchase, or contract for one or more secure, community-based residences for the treatment of individuals in the Commissioner's custody. The Commissioner shall ensure that a secure, community-based residence authorized under this section provides appropriate custody, care, and habilitation in a designated program, including the provision of psychiatric, psychological, nursing, and other medical care, as needed by the resident.

(b) Notwithstanding 18 V.S.A. chapter 221, subchapter 5, the establishment of one or more secure, community-based residences pursuant to this section shall not require a certificate of need.

(c) As used in this section:

(1) "Designated program" has the same meaning as in 18 V.S.A. § 8839.

(2) "Secure" means that residents may be physically prevented from leaving the residence by means of locking devices or other mechanical or physical mechanisms.

Sec. 50. 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 and on Health Care 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.

Sec. 51. 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. 52. 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. 53. APPLICABILITY

Secs. 51 and 52 of this act apply to all automobile insurance policies offered, issued, or renewed on or after January 1, 2025.

Sec. 54. 18 V.S.A. § 4248 is amended to read:

## § 4248. RECORDS

~~(a) Law enforcement departments and agencies, and other State departments and agencies that have custody of any property subject to forfeiture under this subchapter, or that dispose of such property, shall keep and maintain full and complete records including the following:~~

- ~~(1) from whom the property was received;~~
- ~~(2) description of the property, including the exact kinds, quantities, and forms of the property;~~
- ~~(3) value of the property;~~
- ~~(4) if the property is deposited in an interest-bearing account, the location of the account and the amount of interest;~~
- ~~(5) under what authority the property was held or received or disposed;~~
- ~~(6) to whom the property was delivered;~~
- ~~(7) the date and manner of destruction or disposition of the property~~  
Annually, on or before December 15, the Department of Public Safety shall report all criminal and civil seizures and forfeitures made by law enforcement agencies under federal and State law to the Senate and House Committees on Judiciary.

~~(b) Those records shall be submitted to the State Treasurer and shall be open to inspection by all federal and State departments and agencies charged with enforcement of federal and State drug control laws. Persons making final disposition or destruction of the property under court order shall report, under oath, to the court the exact circumstances of that disposition or destruction and a copy of that report shall be sent to the State Treasurer. Law enforcement agencies that seize property subject to forfeiture under this subchapter and applicable federal drug laws shall maintain complete records for the agency's own use and annually submit a report, on or before November 15, to the Department of Public Safety containing information about each seizure, including the following:~~

- ~~(1) the name of the law enforcement agency, State task force, or joint state-federal task force that seized the property;~~



(2) a description of the property, including the exact kinds, quantities, and forms of the seized property;

(3) the date and estimated value of the seized property;

(4) under what suspected crime or authority the property was seized;

(5) whether the person from whom the property was seized waived ownership as part of an agreement with a prosecutor or law enforcement agency;

(6) the name of the State or federal office, department, or agency responsible for prosecuting any associated criminal case and the criminal charge filed against the person from whom the property was seized or other property owner;

(7) the criminal docket number and court in which the criminal case was filed;

(8) the name of the State or federal office, department, or agency responsible for prosecuting the property's forfeiture;

(9) the civil, administrative, or criminal forfeiture docket number and the court in which the forfeiture case was filed;

(10) whether the property owner defaulted in the civil, administrative, or criminal forfeiture case;

(11) the date and disposition of the property, including whether it was returned to the owner, innocent owner or creditor; partially returned to the owner, innocent owner or creditor; sold, destroyed, or retained by a law enforcement agency; or is pending disposition; and

(12) the date and value of the forfeiture proceeds remitted to the law enforcement agency.

(c) The Department of Public Safety shall establish a searchable public website in which the data is machine-readable. The Department may adopt rules and establish policies and procedures concerning additional requirements, including forms, instructions, deadlines, fees, penalties, audits, null reports, and a website necessary to implement this section.

(d) A law enforcement agency may postpone the reporting of a particular seizure if the property was seized from a confidential informant under the agency's confidential informant policy. Such postponement may continue for as long as the confidential informant cooperates with the law enforcement agency, after which time the agency shall report the seizure as required by this section.

(e) The Department of Public Safety may recoup its costs in publishing the report required pursuant to subsection (a) of this section by charging a fee to the law enforcement agency filing the report required by subsection (b) of this section other than an agency that files a null report. The law enforcement agency may use forfeiture proceeds to pay the costs of compiling and reporting pursuant to this section and to pay any fees imposed by the Department of Public Safety.

Sec. 55. APPLICABILITY

Notwithstanding 1 V.S.A. § 214, Sec. 54 of this act shall apply retroactively to any seizures occurring on and after January 1, 2024.

Sec. 56. EFFECTIVE DATES

This act shall take effect on passage, except that notwithstanding 1 V.S.A. § 214, Sec. 12 (13 V.S.A. § 7282) shall take effect on passage and shall apply retroactively to July 1, 2023.

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

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Judiciary with the following amendments thereto:

By striking out Secs. 42, 43, and 44 in their entireties and inserting in lieu thereof new Secs. 42, 43, and 44 to read as follows:

Sec. 42. [Deleted.]

Sec. 43. 32 V.S.A. § 9617 is amended to read:

§ 9617. NOTICES; APPEALS

Unless otherwise provided by this title:

\* \* \*

(8)(A) At any time within three years after the date a property is transferred, a taxpayer may petition the Commissioner in writing for the refund of all or any part of the amount of tax paid. The Commissioner shall thereafter grant a hearing subject to the provisions of 3 V.S.A chapter 25 upon the matter and notify the taxpayer in writing of the Commissioner's determination concerning the refund request. The Commissioner's determination may be appealed as provided in subdivision (5) of this section. This shall be a taxpayer's exclusive remedy with respect to the refund of taxes

under this chapter, except as provided under subdivision (B) of this subsection ~~subdivision (8)~~.

(B) If the transfer taxed by this chapter was an enhanced life estate interest and that interest is revoked or revised pursuant to 27 V.S.A. chapter 6, the person who paid the tax may petition for a refund, ~~provided that the petition is made within eight years after the date of payment of the tax and within one year at any time after the date of revocation or revision. No petition for a refund shall be granted for the revocation or revision of an interest that occurred eight years or more after the date of payment of the tax.~~ In the case of a revision, the revised enhanced life estate interest transfer shall be subject to tax under this chapter.

Sec. 44. [Deleted.]

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

Thereupon, the bill was read the second time by title only pursuant to Rule 43 and the recommendation of proposal of amendment of the Committee on Judiciary was amended as recommended by the Committee on Finance.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Judiciary, as amended?, Senator Sears moved to amend the proposal of amendment of the Committee on Judiciary in Sec. 47, 13 V.S.A. § 3835, in subsection (a), after the words “conduct surveillance on”, by striking out the word “the” and inserting in lieu thereof the word a

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 Judiciary, as amended?, Senator Sears moved to amend the proposal of amendment of the Committee on Judiciary in Sec. 11, 13 V.S.A. § 4816, by striking out subsection (f) in its entirety and inserting in lieu thereof a new subsection (f) to read as follows:

(f) Introduction of a report under subsection ~~(d)~~(e) of this section shall not preclude either party or the court from calling the psychiatrist or psychologist who wrote the report as a witness or from calling witnesses or introducing other relevant evidence. Any witness called by either party on the issue of the defendant’s competency shall be at the State’s expense, or, if called by the court, at the court’s expense. Notwithstanding any other provision of law or rule, if called as a witness, the psychiatrist or psychologist who wrote the report shall be permitted to provide testimony remotely.

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 Judiciary, as amended?, Senators Vyhovsky, Sears and Hashim moved to amend the proposal of amendment of the Committee on Judiciary by adding two new sections to be Secs. 56 and 57 to read as follows:

Sec. 56. 18 V.S.A. § 4201 is amended to read:

§ 4201. DEFINITIONS

As used in this chapter:

\* \* \*

(40) ~~“Crack cocaine” means the free-base form of cocaine. [Repealed.]~~

\* \* \*

Sec. 57. 18 V.S.A. § 4231 is amended to read:

§ 4231. COCAINE

\* \* \*

(c) Trafficking.

(1) ~~Trafficking.~~ A person knowingly and unlawfully possessing cocaine in an amount consisting of 150 grams or more of one or more preparations, compounds, mixtures, or substances containing cocaine with the intent to sell or dispense the cocaine shall be imprisoned not more than 30 years or fined not more than \$1,000,000.00, or both. There shall be a permissive inference that a person who possesses cocaine in an amount consisting of 150 grams or more of one or more preparations, compounds, mixtures, or substances containing cocaine intends to sell or dispense the cocaine. The amount of possessed cocaine under this subdivision to sustain a charge of conspiracy under 13 V.S.A. § 1404 shall be ~~no~~ not less than 400 grams in the aggregate.

(2) ~~A person knowingly and unlawfully possessing crack cocaine in an amount consisting of 60 grams or more of one or more preparations, compounds, mixtures, or substances containing crack cocaine with the intent to sell or dispense the crack cocaine shall be imprisoned not more than 30 years or fined not more than \$1,000,000.00, or both. There shall be a permissive inference that a person who possesses crack cocaine in an amount consisting of 60 grams or more of one or more preparations, compounds, mixtures, or substances containing crack cocaine intends to sell or dispense the crack cocaine. [Repealed.]~~

and by renumbering the remaining section to be numerically correct.

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 Judiciary, as amended?, Senator Vyhovsky moved to amend the proposal of amendment of the Committee on Judiciary by striking out Secs. 54 and 55 in their entireties and inserting in lieu thereof new Secs. 54 and 55 to read as follows:

Sec. 54. DEPARTMENT OF PUBLIC SAFETY PROPOSAL; ASSET FORFEITURE REPORTING

On or before December 15, 2024, the Department of Public Safety shall report to the Senate and House Committees on Judiciary proposed options for compiling and submitting periodic reports to the Legislature containing data about criminal and civil seizures and forfeitures made by law enforcement agencies in Vermont under federal and State law. The proposed options shall:

(1) further the goal of increasing transparency with respect to asset seizures and forfeitures;

(2) describe how the data could be formatted in an understandable and consumable manner; and

(3) include options for providing data about:

(A) how often asset seizure and forfeitures occur in Vermont;

(B) the types of offenses that result in asset seizure and forfeitures;

(C) the disposition of cases in which an asset seizure or forfeiture occurred; and

(D) how the seized or forfeited property was allocated and used.

Sec. 55. [Deleted.]

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 Judiciary, as amended?, was agreed to and third reading of the bill was ordered.

**Message from the House No. 76**

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. 206.** An act relating to designating Juneteenth as a legal holiday.

And has passed the same in concurrence.

**Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment**

**H. 612.**

House bill entitled:

An act relating to miscellaneous cannabis amendments.

Was taken up.

Thereupon, pending third reading of the bill, Senator Harrison moved to amend the Senate proposal of amendment by striking Secs. 15a–21 in their entirety and inserting in lieu thereof new Secs. 15a–19 to read as follows:

**Sec. 15a. CANNABIS BUSINESS DEVELOPMENT FUND; CANNABIS SOCIAL EQUITY WORKING GROUP**

The Cannabis Control Board shall work in consultation with the Vermont Housing and Conservation Board, the Vermont Land Access and Opportunity Board, the Vermont Racial Justice Alliance, the Office of Racial Equity, and the Agency of Commerce and Community Development for purpose of making recommendations to the General Assembly regarding a percentage of cannabis excise tax monies that should be appropriated to the Cannabis Business Development Fund for uses as provided pursuant to 7 V.S.A. § 987. The Cannabis Control Board shall incorporate the recommendations into the Cannabis Social Equity Programs report required pursuant to 7 V.S.A. § 989.

Sec. 16. 7 V.S.A. § 869 is amended to read:

**§ 869. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND USE STANDARDS; REGULATION OF CULTIVATION**

(a) A cannabis establishment shall not be regulated as “farming” under the Required Agricultural Practices, 6 V.S.A. chapter 215, or other State law, and cannabis produced from cultivation shall not be considered an agricultural product, farm crop, or agricultural crop for the purposes of 32 V.S.A. chapter 124, 32 V.S.A. § 9741, or other relevant State law.

\* \* \*

(f) Notwithstanding subsection (a) of this section, a cultivator licensed under this chapter who initiates cultivation of cannabis outdoors on a parcel of land shall:

(1) be regulated in the same manner as “farming” and not as “development” on the tract of land where cultivation occurs for the purposes of permitting under 10 V.S.A. chapter 151;

(2) not be regulated by a municipal bylaw adopted under 24 V.S.A. chapter 117 in the same manner that Required Agricultural Practices are not regulated by a municipal bylaw under 24 V.S.A. § 4413(d)(1)(A), except that there shall be the following minimum setback distance between the cannabis plant canopy and a property boundary or edge of a highway:

(i) if the cultivation occurs in a cannabis cultivation district adopted by a municipality pursuant to 24 V.S.A. § 4414a, the setback shall be not larger than 25 feet as established by the municipality;

(ii) if the cultivation occurs outside of a cannabis cultivation district adopted by a municipality pursuant to 24 V.S.A. § 4414a or no cannabis cultivation district has been adopted by the municipality, the setback shall be not larger than 50 feet as established by the municipality; and

(iii) if a municipality does not have zoning, the setback shall be 10 feet;

(3) be eligible to enroll in the Use Value Appraisal Program under 32 V.S.A. chapter 124 for the cultivation of cannabis;

(4) be exempt under 32 V.S.A. § 9741(3), (25), and (50) from the tax on retail sales imposed under 32 V.S.A. § 9771; and

(5) be entitled to the rebuttable presumption that cultivation does not constitute a nuisance under 12 V.S.A. chapter 195 in the same manner as “agricultural activities” are entitled to the rebuttable presumption, provided that, notwithstanding 12 V.S.A. § 5753(a)(1)(A), the cultivation is complying with subsections (b) and (d) of this section.

Sec. 17. 24 V.S.A. § 4414a is added to read:

§ 4414a. CANNABIS CULTIVATION DISTRICT

A municipality, after consultation with the municipal cannabis control commission, if one exists, may adopt a bylaw identifying cannabis cultivation districts where the outdoor cultivation of cannabis is preferred within the municipality. Cultivation of cannabis within a cannabis cultivation district shall be presumed not to result in an undue effect on the character of the area affected. The adoption of a cannabis cultivation district shall not have the effect of prohibiting cultivation of outdoor cannabis in the municipality.

Sec. 18. CANNABIS CONTROL BOARD REPORT; SITING OF  
OUTDOOR CANNABIS CULTIVATION

(a) On or before December 15, 2024, the Cannabis Control Board shall submit to the Senate Committees on Government Operations and on Economic Development, Housing and General Affairs and the House Committees on Government Operations and Military Affairs and on Commerce and Economic Development a report regarding the siting and licensing of outdoor cannabis cultivation. The report shall:

(1) summarize the current impact of outdoor cultivation on local municipalities;

(2) summarize the impact of establishing various siting requirements to existing licensed outdoor cultivators;

(3) address whether and how to authorize municipalities to establish local cultivation districts;

(4) address whether and how outdoor cultivation of cannabis should be entitled to the rebuttable presumption that cultivation does not constitute a nuisance under 12 V.S.A. chapter 195; and

(5) recommend whether local cannabis control commissions established pursuant to 7 V.S.A. chapter 33 should be granted additional authority to regulate outdoor cannabis cultivators.

(b) The Cannabis Control Board shall consult with the Vermont League of Cities and Towns, the Cannabis Equity Coalition, the Vermont Medical Society, the Cannabis Retailers Association of Vermont, and other interested stakeholders in developing the report required under subsection (a) of this section.

(c) As part of the report required under subsection (a) of this section, the Cannabis Control Board shall address the impact of modifying the law governing cannabis advertising.

#### Sec. 19. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Sec. 6, 7 V.S.A. § 910, shall take effect on July 1, 2025; and

(2) Sec. 16 (setbacks for cannabis cultivation) shall take effect on January 1, 2025.

Which was agreed to.

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



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**Message from the House No. 77**

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 of the following title:

**H. 780.** An act relating to judicial nominations and appointments.

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

**Bill Passed in Concurrence with Proposal of Amendment; Rules  
Suspended; Bill Messaged**

**H. 875.**

House bill entitled:

An act relating to the State Ethics Commission and the State Code of Ethics.

Was taken up.

Thereupon, the the bill was read a third time and passed in concurrence with proposal of amendment, on a roll call, Yeas 18, Nays 10.

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, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Vyhovsky, Watson, White, Wrenner.

**Those Senators who voted in the negative were:** Brock, Campion, Collamore, Ingalls, Norris, Sears, Starr, Weeks, Westman, Williams.

**The Senator absent and not voting was:** Bray.

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

**Rules Suspended; Bill Messaged**

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

**S. 192, H. 612.**

**Senate Concurrent Resolution Adopted on the Part of the Senate**

Upon request of Senator Baruth, Senate concurrent resolution of the following title was read and is as follows:

By Senators Clarkson, Brock, Baruth, Bray, Campion, Chittenden, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams and Wrenner,

**S.C.R. 16.** Senate concurrent resolution honoring Senator Richard McCormack for his dedicated legislative service in the Vermont Senate.

*Whereas*, Dick McCormack has represented the Windsor Senate District for much of the past 35 years, and he is proud of being a passionate environmentalist, strong defender of public education, adherent to constitutional norms, and a legislator always ready to fight a worthy battle even if he is the only warrior for the cause, and

*Whereas*, a graduate of Hofstra University, he also studied secondary education at Castleton State College, and, later, earned a master's degree in environmental policy from Vermont Law School, and

*Whereas*, Dick McCormack's personal pursuits extend from folk music to post-secondary education to public service, and he has engaged in these avocations with passion and good humor, and

*Whereas*, as a folk-singing performing and recording artist, Dick McCormack often invokes a Vermont theme in his songs, and, in the 1990s, he hosted *Dick McCormack's Veranda*, a series of programs on Vermont Public Radio, and

*Whereas*, in his role as a post-secondary instructor, Dick McCormack enjoyed the academic interchange with his students at Vermont Technical College, and

*Whereas*, Dick McCormack's strong interest in the Act 250 environmental law's success motivated him to serve on the Act 250 District 3 Environmental Commission, including as the panel's chair; and, simultaneously, he served as a justice of the peace in the Town of Bethel, and

*Whereas*, in 1989, then-Governor Madeleine Kunin recognized Dick McCormack's strong record of public service and appointed him to a Windsor District vacancy in the Vermont Senate, and

*Whereas*, he has approached this important representational role (from 1989 to 2003 and from 2007 to the present) with a profound seriousness of purpose, and his Democratic colleagues elected him as their caucus leader, and the

Senate Committee on Committees named Richard McCormack Senate Committee on Natural Resources and Energy Chair, and

*Whereas*, many organizations have honored Richard McCormack's numerous legislative achievements and advocacy efforts, and 2024 will be his final year serving in the Vermont Senate, *now therefore be it*

***Resolved by the Senate and House of Representatives:***

That the General Assembly honors Senator Richard McCormack for his dedicated legislative service in the Vermont Senate, *and be it further*

***Resolved:*** That the Secretary of State be directed to send a copy of this resolution to Senator Richard McCormack.

Thereupon, the pending question, Shall the concurrent resolution be adopted on the part of the Senate?, was agreed to on a roll call, Yeas 29, Nays 0.

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, 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.

\*Senator Vyhovsky explained her vote as follows:

“Thank you, Senator, for your service to Vermont and for your mentorship to me as I started my Senate journey.”

**Report of Committee of Conference Accepted and Adopted on the Part of the Senate; Rules Suspended; Action Messaged**

**S. 309.**

Senator Perchlik, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate bill entitled:

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

Respectfully reports that it has met and considered the same and recommends that the House recede from its proposals of amendment and 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 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) 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.

(b) 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.

(c) 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.

(d) 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~~

(e) 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.

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~~ canceled 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~~ canceled 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~~ canceled 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 shall 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 are not emergency warning lamps and provide a flashing light in a color other than amber, except that this prohibition shall not apply to a motorcycle headlamp modulation system that meets the criteria specified in Federal Motor Vehicle Safety Standard 108, codified at 49 C.F.R. § 571.108.

(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, a county, 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)(c) Sirens and 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 subsection 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;

(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 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.

(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, in compliance with 46 C.F.R. Subpart 25.30, as amended.

(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) 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.

\* \* \* Licensed Dealers; Used Vehicle Sales; Disclosures \* \* \*

Sec. 35. 23 V.S.A. § 466 is amended to read:

§ 466. RECORDS; DISCLOSURES; CUSTODIAN

(a) On a form prescribed or approved by the Commissioner, every licensed dealer shall maintain and retain for six years a record containing the following information, which shall be open to inspection by any law enforcement officer or motor vehicle inspector or other agent of the Commissioner during reasonable business hours:

(1) Every vehicle or motorboat that is bought, sold, or exchanged by the licensee or received or accepted by the licensee for sale or exchange.

(2) Every vehicle or motorboat that is bought or otherwise acquired and dismantled by the licensee.



(3) The name and address of the person from whom such vehicle or motorboat was purchased or acquired, the date thereof, the name and address of the person to whom any such vehicle or motorboat was sold or otherwise disposed of and the date thereof, and a sufficient description of every such vehicle or motorboat by name and identifying numbers thereon to identify the same.

(4) [Repealed.]

(b)(1) On a form prescribed or approved by the Commissioner, a licensed dealer shall provide written disclosure to each buyer of a used motor vehicle regarding the following:

(A) the month in which the vehicle was last inspected pursuant to section 1222 of this title;

(B) the month in which the inspection shall expire;

(C) whether the most recent inspection was by the dealer currently selling the motor vehicle;

(D) a statement that the condition of the motor vehicle may be different than the condition at the last inspection, unless inspected by the dealer selling the vehicle for the current transaction;

(E) a statement regarding the right of a potential buyer to have the vehicle inspected by an independent qualified mechanic of their choice and at their own expense; and

(F) a clear and conspicuous statement, if applicable, that the vehicle is being transferred without an inspection sticker, with an expired inspection sticker, or with an inspection sticker from another state.

(2) The licensed dealer shall maintain and retain record of the disclosure statement, signed by both the dealer and the buyer, for two years after transfer of ownership. The record shall be open to inspection by any law enforcement officer or motor vehicle inspector or other agent of the Commissioner during reasonable business hours.

(c) Every licensed dealer shall designate a custodian of documents who shall have primary responsibility for administration of documents required to be maintained under this title. In the absence of the designated custodian, the dealer shall have an ongoing duty to make such records available for inspection by any law enforcement officer or motor vehicle inspector or other agent of the Commissioner during reasonable business hours.

\* \* \* DMV Credentials and Number Plates; Veteran Designations \* \* \*

Sec. 36. 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.

Sec. 37. 23 V.S.A. § 7(b) is amended to read:

(b) In addition to any other requirement of law or rule, before an enhanced license may be issued to ~~a person~~ an individual, the ~~person~~ individual shall present for inspection and copying satisfactory documentary evidence to determine identity and U.S. citizenship. An application shall be accompanied by: ~~a photo identity document, documentation showing the person's~~ individual's date and place of birth, proof of the ~~person's~~ individual's Social Security number, and documentation showing the ~~person's~~ individual's principal residence address. New and renewal application forms shall include a space for the applicant to request that a "veteran" designation be placed on the enhanced license. If a veteran, 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), requests a veteran designation and provides a Department of Defense Form 214 or other proof of veteran status specified by the Commissioner, and the Office of ~~Veterans~~ Veterans' Affairs confirms ~~his or her~~ the individual's status as an honorably discharged veteran ~~or;~~ or; a veteran discharged under honorable conditions; ~~or an individual disabled during active military, naval, air, or space service,~~ the identification card shall

include the term “veteran” on its face. To be issued, an enhanced license must meet the same requirements as those for the issuance of a U.S. passport. Before an application may be processed, the documents and information shall be verified as determined by the Commissioner. Any additional personal identity information not currently required by the U.S. Department of Homeland Security shall need the approval of either the General Assembly or the Legislative Committee on Administrative Rules prior to the implementation of the requirements.

Sec. 38. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

(a) Any Vermont resident may make application to the Commissioner and be issued an identification card that is attested by the Commissioner as to true name, correct age, residential address unless the listing of another address is requested by the applicant or is otherwise authorized by law, and any other identifying data as the Commissioner may require that shall include, in the case of minor applicants, the written consent of the applicant’s parent, guardian, or other person standing in loco parentis. Every application for an identification card shall be signed by the applicant and shall contain such evidence of age and identity as the Commissioner may require, consistent with subsection (1) of this section. New and renewal application forms shall include a space for the applicant to request that a “veteran” designation be placed on the applicant’s identification card. If a veteran, as defined in 38 U.S.C. § 101(2) and including an individual disabled during active military, naval, air, or space service, as defined in 38 U.S.C. § 101(24), requests a veteran designation and provides a Department of Defense Form 214 or other proof of veteran status specified by the Commissioner, and the Office of ~~Veterans~~ Veterans’ Affairs confirms the veteran’s status as an honorably discharged veteran ~~or~~; a veteran discharged under honorable conditions; or an individual disabled during active military, naval, air, or space service, the identification card shall include the term “veteran” on its face. The Commissioner shall require payment of a fee of \$29.00 at the time application for an identification card is made, except that an initial nondriver identification card shall be issued at no charge to an individual who surrenders the individual’s license in connection with a suspension or revocation under subsection 636(b) of this title due to a physical or mental condition.

\* \* \*

Sec. 39. 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.

\* \* \*

Sec. 40. 23 V.S.A. § 610(a) is amended to read:

(a) The Commissioner shall assign a distinguishing number to each licensee and shall furnish the licensee with a license certificate that shows the number and the licensee's full name, date of birth, and residential address, except that at the request of the licensee, the licensee's mailing address may be listed, or an alternative address may be listed if otherwise authorized by law. The certificate also shall include a brief physical description and a space for the signature of the licensee. The license shall be void until signed by the licensee. If a veteran, 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), requests a veteran designation and provides proof of veteran status as specified in subdivision 603(a)(3) of this title, and the Office of ~~Veterans~~ Veterans' Affairs confirms ~~his or her~~ the individual's status as an honorably discharged veteran ~~or~~; a veteran discharged under honorable conditions; or an individual disabled during active military, naval,

air, or space service, the license certificate shall include the term “veteran” on its face.

Sec. 41. 23 V.S.A. § 4111 is amended to read:

§ 4111. COMMERCIAL DRIVER’S LICENSE

(a) Contents of license. A commercial driver’s license shall be marked “commercial driver’s license” or “CDL” and shall be, to the maximum extent practicable, tamper proof and shall include the following information:

\* \* \*

(12) A veteran designation if a veteran, 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), requests the designation and provides proof of veteran status as specified in subdivision 4110(a)(5) of this title, and if the Office of ~~Veterans~~ Veterans’ Affairs confirms ~~his or her~~ the individual’s status as an honorably discharged veteran ~~or~~; a veteran discharged under honorable conditions; or an individual disabled during active military, naval, air, or space service.

\* \* \*

\* \* \* Conservation Motor Vehicle License Plates; Motorcycles \* \* \*

Sec. 42. 23 V.S.A. § 304b is amended to read:

§ 304b. CONSERVATION MOTOR VEHICLE REGISTRATION PLATES

(a) The Commissioner shall, upon application, issue conservation registration plates for use only on vehicles registered at the pleasure car rate, on motorcycles, on trucks registered for less than 26,001 pounds, and on vehicles registered to State agencies under section 376 of this title, but excluding vehicles registered under the International Registration Plan. Plates so acquired shall be mounted on the front and rear of the vehicle, except that a motorcycle plate shall be mounted only on the rear of the motorcycle. The Commissioners of Motor Vehicles and of Fish and Wildlife shall determine the graphic design of the special plates in a manner that serves to enhance the public awareness of the State’s interest in restoring and protecting its wildlife and major watershed areas. The Commissioners of Motor Vehicles and of Fish and Wildlife may alter the graphic design of these special plates, provided that plates in use at the time of a design alteration shall remain valid subject to the operator’s payment of the annual registration fee. Applicants shall apply on forms prescribed by the Commissioner and shall pay an initial fee of \$32.00 in addition to the annual fee for registration. In following years, in addition to the annual registration fee, the holder of a conservation plate shall pay a

renewal fee of \$32.00. The Commissioner may adopt rules under 3 V.S.A. chapter 25 to implement the provisions of this subsection.

\* \* \*

\* \* \* Use of Roadway by Pedestrians, Bicycle Operators, and  
Vulnerable Users \* \* \*

Sec. 43. 23 V.S.A. § 4(67) is amended to read:

(67) “Pedestrian” means any ~~person~~ individual ~~afoot or operating a wheelchair or other personal mobility device, whether motorized or not, and shall also include any person 16 years of age or older operating~~ including an electric personal assistive mobility device. ~~The age restriction of this subdivision shall not apply to a person who has an ambulatory disability as defined in section 304a of this title.~~

Sec. 44. 23 V.S.A. § 1033 is amended to read:

§ 1033. PASSING MOTOR VEHICLES AND VULNERABLE USERS

\* \* \*

(b) Approaching or passing vulnerable users. ~~The operator of~~ individual operating a motor vehicle approaching or passing a vulnerable user as defined in subdivision 4(81) of this title shall exercise due care, which includes reducing speed and increasing clearance to a ~~recommended~~ distance of at least four feet, to pass the vulnerable user safely, and shall cross the center of the highway only as provided in section 1035 of this title. ~~A person~~ An individual who violates this subsection shall be subject to a civil penalty of not less than \$200.00.

(c) Approaching or passing certain stationary vehicles. ~~The operator of~~ individual operating a motor vehicle approaching or passing a stationary sanitation, maintenance, utility, or delivery vehicle with flashing lights shall exercise due care, which includes reducing speed and increasing clearance to a recommended distance of at least four feet, to pass the vehicle safely, and shall cross the center of the highway only as provided in section 1035 of this title. ~~A person~~ An individual who violates this subsection shall be subject to a civil penalty of not less than \$200.00.

Sec. 45. 23 V.S.A. § 1055 is amended to read:

§ 1055. PEDESTRIANS ON ROADWAYS

(a) ~~Where public sidewalks are provided, no person may walk along or upon an adjacent roadway. [Repealed.]~~

(b) ~~Where public sidewalks are not provided, any~~ Any pedestrian walking along and upon a highway shall, when practicable, walk only on the left side of the roadway or its shoulder facing the direction of possible oncoming traffic.

Sec. 46. AGENCY OF TRANSPORTATION; DEPARTMENT OF PUBLIC SAFETY; IDAHO STOP STUDY; REPORT

The Agency of Transportation, in collaboration with the Department of Public Safety and in consultation with bicycle safety organizations and other relevant stakeholders, shall study the potential effects of implementing a statewide policy that grants an individual operating a bicycle rights and responsibilities at traffic-control devices and traffic-control signals that differ from those applicable to operators of motor vehicles. The study shall include consideration of the potential effects of allowing individuals operating bicycles to treat stop signs as yield signs and red lights at traffic signals as stop signs, also known as an "Idaho Stop," and of allowing individuals operating bicycles to cross intersections during a pedestrian phase at pedestrian-control devices and pedestrian-control signals. On or before December 15, 2024, the Agency shall report to the House and Senate Committees on Transportation with its findings and recommendations.

Sec. 47. AGENCY OF TRANSPORTATION; ACTIVE TRANSPORTATION POLICY REPORT

(a) The Agency of Transportation shall prepare an Active Transportation Policy Report that provides a comprehensive review of Vermont statutes, including those in Titles 19 and 23, relating to the rights and responsibilities of vulnerable road users, in order to inform best practices and policy outcomes. The Agency shall develop the Report in consultation with relevant stakeholders identified by the Agency, which shall include bicycle safety organizations.

(b) On or before January 15, 2025, the Agency shall submit the written Active Transportation Policy Report, which shall include a summary of the Agency's review efforts and any recommendations for revisions to Vermont statutes, to the House and Senate Committees on Transportation.

\* \* \* License Plates for Plug-In Electric Vehicles \* \* \*

Sec. 48. LICENSE PLATES FOR PLUG-IN ELECTRIC VEHICLES;  
FINDINGS

The General Assembly finds that:

(1) Plug-in electric vehicles (PEVs), which include plug-in hybrid electric vehicles and battery electric vehicles, provide new and unique

challenges for first responders and firefighters when responding to the scene of a crash that may involve a PEV.

(2) PEVs are powered by high-voltage batteries, which means that if a PEV is involved in a crash resulting in a fire or in the need for extrication or rescue, or a combination of these, then fire and rescue personnel must invoke special operations to suppress the fire or initiate the extrication or rescue operation.

(3) Other states and countries have begun noting whether or not a motor vehicle is a PEV with a designation on the vehicle's license plate.

(4) First responders and firefighters in Vermont will be in a better position to safely respond to a fire, extrication, or rescue involving a motor vehicle crash if they know whether one or more vehicles involved are a PEV, which can be done, in most instances, with a license plate designation.

Sec. 49. 23 V.S.A. § 304 is amended to read:

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

\* \* \*

(k) Not later than July 1, 2026, the Commissioner shall begin issuing number and vanity plates for plug-in electric vehicles, as defined in subdivision 4(85) of this title, indicating that the vehicle is a plug-in electric vehicle. Not later than July 1, 2028, all plug-in electric vehicles registered in this State shall display plates indicating that the vehicle is a plug-in electric vehicle.

Sec. 50. LICENSE PLATES FOR PLUG-IN ELECTRIC VEHICLES;  
IMPLEMENTATION PROVISIONS; REPORT

(a) In accordance with 23 V.S.A. § 304(k), not later than July 1, 2026, the Commissioner of Motor Vehicles shall begin issuing number and vanity plates for plug-in electric vehicles (PEV) indicating that the vehicle is a PEV.

(b)(1) Upon the purchase of a PEV, the purchaser shall not transfer a non-PEV plate to the newly purchased PEV unless the plate is a vanity or special number plate.

(2) For the purchaser of a PEV whose previous plate was not a vanity or special number plate, the Commissioner shall issue a new PEV plate, which the purchaser shall install upon receipt.

(3) For the purchaser of a PEV whose previous plate was a vanity or special number plate and who wishes to retain that plate for the newly purchased PEV, the purchaser may transfer and display the existing plate until



the Commissioner issues the purchaser a new vanity or special number plate indicating that the vehicle is a PEV, except as set forth in subsection (d) of this section. The purchaser shall install the new PEV plate upon receipt.

(c) An individual who owns a PEV on the effective date of this act may continue to display the individual's existing plate until the individual receives a new PEV plate from the Department of Motor Vehicles. The owner shall install the new PEV plate upon receipt.

(d) The Commissioner is authorized to reject existing plates for transfer or renewal due to space limitations on the new PEV plates.

(e) On or before March 15, 2025, the Department of Motor Vehicles shall provide testimony to the House and Senate Committees on Transportation regarding the status of its efforts to implement license plates for PEVs as set forth in this section and in 23 V.S.A. § 304(k).

\* \* \* Distracted Driving Diversion Program \* \* \*

Sec. 51. DISTRACTED DRIVING DIVERSION PROGRAM  
RECOMMENDATIONS; REPORT

(a) The Community Justice Unit of the Office of the Attorney General, in consultation with the Court Diversion programs, the Vermont Judiciary, the Department of Motor Vehicles, and representatives of Vermont law enforcement agencies, shall evaluate the feasibility of and design options for establishing a distracted driving diversion program as an alternative to civil penalties and points for individuals who violate Vermont's distracted driving laws, including 23 V.S.A. §§ 1095a, 1095b, and 1099. The issues for the Community Justice Unit to consider shall include:

(1) whether conducting a distracted driving diversion program is feasible;

(2) if so, how such a distracted driving diversion program should be structured and administered;

(3) the age groups to which the program should be made available;

(4) performance outcome measures that indicate whether the program is reducing the participants' likelihood of future distracted driving;

(5) whether fees should be imposed for participation in the program and, if so, what those fees should be;

(6) the additional resources, if any, that would be needed to implement and administer the program; and

(7) whether diversion or other alternatives should be made available to address other driving-related violations, especially youth violations.

(b) On or before December 15, 2024, the Community Justice Unit shall submit its findings and recommendations regarding a distracted driving diversion program to the House and Senate Committees on Transportation and on Judiciary.

\* \* \* Effective Dates \* \* \*

Sec. 52. 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) Sec. 35 (records; disclosures; custodian; 23 V.S.A. § 466) shall take effect on July 1, 2025.

(d) Secs. 36–41 (DMV credentials and number plates; veteran credentials) shall take effect on passage.

(e) All other sections shall take effect on July 1, 2024.

*ANDREW J. PERCHLIK*

*THOMAS I. CHITTENDEN*

*RUSSELL H. INGALLS*

*Committee on the part of the Senate*

*SARA E COFFEY*

*CHARLES "BUTCH" H. SHAW*

*LEONORA DODGE*

*Committee on the part of the House*

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

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

**Adjourned**

On motion of Senator Baruth the Senate adjourned until 1:00 P.M.

**Called to Order**

The Senate was called to order by the President.

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**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.

Addison Blanchard of Reading  
Adelynn Cimonetti of Shrewsbury  
Aliyah Iey-Leake of Shaftsbury  
Juliet Lyon-Horne of South Hero  
Colin McIntyre of Marshfield  
Madeline Piecuch of East Thetford  
Teigan Reimer-Tatistcheff of East Montpelier

**House Proposal of Amendment Concurred In****S. 114.**

House proposal of amendment to Senate bill entitled:

An act relating to the establishment of the Psychedelic Therapy Advisory Working Group.

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. PSYCHEDELIC THERAPY ADVISORY WORKING GROUP;  
STUDY

(a) Creation. There is created the Psychedelic Therapy Advisory Working Group for the purpose of reviewing existing research on the cost-benefit profile of the use of psychedelics to improve mental health and to make findings and recommendations regarding the advisability of the establishment of a State program 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) the Dean of the Larner College of Medicine at the University of Vermont or designee;

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

(3) the President of the Vermont Psychiatric Association or designee;

(4) the Executive Director of the Vermont Board of Medical Practice or designee;

(5) the Director of the Vermont Office of Professional Regulation or designee;

(6) the Executive Director of the Vermont Medical Society or designee;

(7) the Vermont Commissioner of Health or designee;

(8) the Vermont Commissioner of Mental Health or designee; and

(9) an expert in psychedelic treatment of mental conditions who is affiliated with a Vermont hospital currently providing ketamine therapy appointed by the Vermont Commissioner of Mental Health.

(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

(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.

(2) The Working Group shall seek testimony from Johns Hopkins' Center for Psychedelic and Consciousness Research, in addition to any other entities with an expertise in psychedelics.

(d) Assistance. The Working Group shall have the assistance of the Vermont Department of Mental Health, in collaboration with 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 Department of Mental Health 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.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

**House Proposal of Amendment Concurred In**

**S. 183.**

House proposal of amendment to Senate bill entitled:

An act relating to reenvisioning the Agency of Human Services.

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 AND PURPOSE

(a) Since its establishment in 1970, Vermont's Agency of Human Services has grown significantly in both size and scope. In its current form, the Agency is composed of six departments: the Department for Children and Families; the Department of Corrections; the Department of Disabilities, Aging, and Independent Living; the Department of Health; the Department of Mental Health; and the Department of Vermont Health Access, along with several divisions and many offices, boards, and councils. The Agency's budget comprises more than half of the overall State budget, and the programs and benefits administered by the Agency and its departments have an impact on the lives of all Vermonters.

(b) The purpose of this act is to create a meaningful process through which the Agency, its departments, and the individuals and organizations with whom they engage most can collaborate to identify opportunities to build on past successes and to make improvements for the future.

Sec. 2. REENVISIONING THE AGENCY OF HUMAN SERVICES;  
REPORT

(a) The Secretary of Human Services, in collaboration with the commissioner of each department within the Agency of Human Services and in consultation with relevant commissions, councils, and advocacy organizations; community partners; individuals and families impacted by the Agency and its departments; State employees; and other interested 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) The Agency shall solicit open, candid feedback from the stakeholders identified in subsection (a) of this section to inform the evaluation, identification of options, and development of recommendations. To the extent feasible, the Agency shall engage existing boards, committees, and other channels to collect input from individuals and families who are directly impacted by the work of the Agency and its departments.

(d) On or before February 1, 2025, the Secretary shall present 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 an update on the status of the stakeholder process and development of recommendations as set forth in this section.

(e) On or before November 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 and with community partners;

(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 facility challenges that the Agency and its departments encounter;

(7) how the recommendations could strengthen the use of technology to improve access to programs and services, increase accountability, enhance coordination, and expand data collection and analysis;

(8) 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;

(9) a proposed organizational chart for any recommended reconfigurations; and

(10) the estimated costs or savings associated with the recommendations.

### Sec. 3. 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.

### **House Proposal of Amendment; Question Divided; Concurred In with Proposals of Amendment**

#### **S. 195.**

House proposal of amendment to Senate bill entitled:

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

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. § 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 a person who the court determines has engaged in flight from prosecution in accordance with subdivision 7576(9) or subdivision 7554(a)(1) of this title.

(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; the number of offenses with which the person is charged; whether, at the time of the current offense or arrest, the defendant was released on conditions or personal recognizance, on probation, furlough, parole, or other release pending trial, sentencing, appeal, or completion of a sentence for an offense under federal or state law; and whether, in connection with a criminal prosecution, the defendant is compliant with court orders or has failed to appear at a court hearing. 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 pretrial supervision program pursuant to section 7555 of this title, provided that the defendant meets the criteria identified in subdivision 7551(c)(1) 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 pretrial supervision program pursuant to section 7555 of this title, provided that the defendant meets the criteria identified in subdivision 7551(c)(1) 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 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; whether, at the time of the current offense or arrest, the defendant was released on conditions or personal recognizance, on probation, furlough, parole, or other release pending trial, sentencing, appeal, or completion of a sentence for an offense under federal or state law; and whether, in connection with a criminal prosecution, the defendant is compliant with court orders or has failed to appear at a court hearing. 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) Intent. It is the intent of the General Assembly that the Home Detention Program be designed to provide an alternative to incarceration and reduce the number of detainees at Vermont correctional facilities by accommodating defendants who would otherwise be incarcerated or pose a significant risk to public safety.

(b) 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)~~(c) Procedure Defendants with the inability to pay bail.

(1) 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 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)~~(A) the nature of the offense with which the defendant is charged;

~~(2)~~(B) the defendant’s prior convictions, history of violence, medical and mental health needs, history of supervision, and risk of flight; and

~~(3)~~(C) 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.

(e)(2) Failure to comply. The Department of Corrections may revoke 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.

(d) Defendants who violate conditions of release.

(1) Procedure. At the request of the court, the prosecutor, or the defendant, the status of a defendant who has allegedly violated conditions of release 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, 2024. At arraignment or after a hearing, the court may order that the defendant be released to the Home Detention Program upon the court's finding that the defendant poses a significant risk to public safety, placing the defendant on home detention will reasonably mitigate such risk, and the proposed residence is appropriate for home detention. In making such a determination, the court shall consider the factors listed in subdivisions (c)(1)(A)–(C) of this section.

(2) Failure to comply. The Department of Corrections may report a defendant's unauthorized absence or failure to comply with any other condition of the Program 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 request:

(A) a review of conditions pursuant to section 7554 of this title;

(B) a prosecution for contempt pursuant to section 7559 of this title;

or

(C) a bail revocation hearing pursuant to section 7575 of this title.

(e) Credit for time served. A defendant shall receive credit for a sentence of imprisonment for time served in the Home Detention Program.

(f) Program support. The Department may support the monitoring operations of the Program through grants of financial assistance to, or contracts for services with, any public entity that meets the Department's requirements.

(g) Policies and procedures. The Department of Corrections shall establish written policies and procedures for the Home Detention Program to be used by the Department, any contractors or grantees that the Department engages with

to assist with the monitoring operations of the Program, and to assist the courts in understanding the Program.

Sec. 4. 13 V.S.A. § 7555 is added to read:

§ 7555. PRETRIAL SUPERVISION PROGRAM

(a) Purpose. The purpose of the Pretrial Supervision Program is to assist eligible people through the use of evidence-based strategies to improve pretrial compliance with conditions of release, to coordinate and support the provision of pretrial 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, “absconded” has the same meaning as “absconding” as defined in 28 V.S.A. § 722(1)(B)–(C).

(c) Pretrial supervision.

(1) Except as provided in subsection (g) of this section, beginning on January 1, 2025, the Pretrial Supervision Program shall, if ordered by the court pursuant to subsection (d) of this section, monitor defendants who have been charged with violating a condition of release pursuant to section 7559 of this title or have not fewer than five pending dockets and pose a risk of nonappearance at court hearings, a risk of flight, or a risk of endangering the public.

(2) The Department shall assign a pretrial supervision officer to monitor defendants in a designated region of Vermont and help coordinate any pretrial services needed by the defendant. The Department shall determine the appropriate level of supervision using evidence-based screenings of those defendants eligible to be placed in the Program. The Department’s supervision levels may include use of:

- (A) the Department’s telephone monitoring system;
- (B) telephonic meetings with a pretrial supervision officer;
- (C) in-person meetings with a pretrial supervision officer;
- (D) electronic monitoring; or
- (E) any other means of contact deemed appropriate.

(3) When placing a defendant into the Program pursuant to subsection (d) of this section, the court shall issue an order that sets the defendant’s level of supervision based on the recommendations submitted by the Department of Corrections.

(d) Procedure.

(1) At arraignment or at a subsequent hearing, the prosecutor or the defendant may move, or on the court's own motion, that the defendant be reviewed by the court to determine whether the defendant is appropriate for pretrial supervision. The review shall be scheduled upon the court's receipt of a report from the Department of Corrections containing recommendations pertaining to the defendant's supervision level.

(2) A defendant is eligible for pretrial supervision if the person has:

(A) violated conditions of release pursuant to section 7559 of this title; or

(B) not fewer than five pending court dockets.

(3) After a hearing and review of the Department of Corrections' report containing the defendant's supervision level recommendations, the court may order that the defendant be released to the Pretrial Supervision Program, provided that the court finds placing the defendant under pretrial supervision will reasonably ensure the person's appearance in court when required, will reasonably mitigate the risk of flight, or reasonably ensure protection of the public. In making such a determination, the court shall consider the following:

(A) the nature of the violation of conditions of release pursuant to section 7559 of this title;

(B) the nature and circumstances of the underlying offense or offenses 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;

(D) any risk or undue burden to third parties or risk to public safety that may result from the placement; or

(E) any other factors that the court deems appropriate.

(e) Compliance and review.

(1) Pretrial supervision officers shall notify the prosecutor and use reasonable efforts to notify the defendant of any violations of court-imposed Program conditions committed by the defendant.

(2) Pretrial supervision officers may notify the prosecutor and use reasonable efforts to notify the defendant of any violations of Department-imposed administrative conditions committed by the defendant.

(3) Upon the motion of the prosecutor or the defendant, or on the court's own motion, a defendant's compliance with pretrial supervision conditions may be reviewed by the court.



(4) Upon submission of the pretrial supervision officer's sworn affidavit by the prosecutor, the court may issue a warrant for the arrest of a defendant who fails to report to the pretrial supervision officer, commits multiple violations of supervision requirements, or has absconded.

(f) Policies and procedures.

(1) On or before November 1, 2024, the Department of Corrections shall establish written policies and procedures for the Pretrial Supervision Program to be used by the Department and any contractors or grantees that the Department engages with to assist in the monitoring operations of the Program and to assist the courts in understanding the Program.

(2) The Department shall develop policies and procedures concerning supervision levels, evidence-based criteria for each supervision level, and the means of contact that is appropriate for each supervision level.

(g) Contingent on funding. The Pretrial Supervision Program established in this section shall operate only to the extent funds are appropriated for its operation. If the Program is not operating in a particular county, the courts shall not order pretrial supervision as a condition of release in accordance with section 7554 of this title.

(h) Program support. The Department may support the operation of the Program through grants of financial assistance to, or contracts for services with, any public entity that meets the Department's requirements.

Sec. 5. 13 V.S.A. § 7559 is amended to read:

§ 7559. RELEASE; DESIGNATION; SANCTIONS VIOLATIONS OF  
CONDITIONS OF RELEASE; FAILURE TO APPEAR;  
WARRANTLESS ARREST

(a) The officer in charge of a facility under the control of the department of corrections, county jail or a local lockup shall discharge any person held by him or her upon receipt of an order for release issued by a judicial officer pursuant to section 7554 of this title, accompanied by the full amount of any bond or cash bail fixed by the judicial officer. The officer in charge, or a person designated by the Court Administrator, shall issue a receipt for such bond or cash bail, and shall account for and turn over such bond or cash bail to the court having jurisdiction. The State's Attorney may commence a prosecution for criminal contempt under Rule 42 of the Vermont Rules of Criminal Procedure against a person who violates a condition of release imposed under section 7554 of this title. The maximum penalty that may be imposed under this section shall be a fine of \$1,000.00 or imprisonment for six months, or both.

~~(b) The Court Administrator shall designate persons to set bail for any person under arrest prior to arraignment when the offense charged provides for a penalty of less than two years imprisonment or a fine of less than \$1,000.00 or both. Such persons designated by the Court Administrator shall be considered judicial officers for the purposes of sections 7554 and 7556 of this title. Upon commencement of a prosecution for criminal contempt, including when considering an afterhours request to set temporary conditions or impose bail for criminal contempt, or upon the initial appearance of the person to answer such offense, in accordance with section 7553, 7553a, 7554, or 7575 of this title, a judicial officer may continue or modify existing conditions of release or terminate release of the person.~~

~~(c) Any person who is designated by the Court Administrator under subsection (b) of this section, may refuse the designation by so notifying the Court Administrator in writing within seven days of the designation. A person who has been released pursuant to section 7554 of this title with or without bail on condition that the person appear at a specified time and place in connection with a prosecution for an offense and who without just cause fails to appear shall be imprisoned not more than two years or fined not more than \$5,000.00, or both.~~

~~(d) A person who has been released pursuant to section 7554 of this title with or without bail on condition that he or she appear at a specified time and place in connection with a prosecution for an offense and who without just cause fails to appear shall be imprisoned not more than two years or fined not more than \$5,000.00, or both. Notwithstanding Rule 3 of the Vermont Rules of Criminal Procedure, a law enforcement officer may arrest a person without a warrant when the officer has probable cause to believe the person without just cause has failed to appear at a specified time and place in connection with a prosecution for an offense or has violated a condition of release relating to a restriction on travel or a condition of release that the person not directly contact, harass, or cause to be harassed a victim or potential witness.~~

~~(e) The State's Attorney may commence a prosecution for criminal contempt under Rule 42 of the Vermont Rules of Criminal Procedure against a person who violates a condition of release imposed under section 7554 of this title. The maximum penalty that may be imposed under this subsection shall be a fine of \$1,000.00 or imprisonment for six months, or both. Upon commencement of a prosecution for criminal contempt, the court shall review, in accordance with section 7554 of this title, and may continue or modify conditions of release or terminate release of the person. [Repealed.]~~

~~(f) Notwithstanding Rule 3 of the Vermont Rules of Criminal Procedure, a law enforcement officer may arrest a person without a warrant when the~~

~~officer has probable cause to believe the person without just cause has failed to appear at a specified time and place in connection with a prosecution for an offense or has violated a condition of release relating to a restriction on travel or a condition of release that he or she not directly contact, harass, or cause to be harassed a victim or potential witness. [Repealed.]~~

Sec. 6. 13 V.S.A. § 7559a is added to read:

§ 7559a. RELEASE; DESIGNATION

(a) The officer in charge of a facility under the control of the department of corrections shall discharge any person held by the officer upon receipt of an order for release issued by a judicial officer pursuant to section 7554 of this title, accompanied by the full amount of any bond or cash bail fixed by the judicial officer. The officer in charge, or a person designated by the Court Administrator, shall issue a receipt for such bond or cash bail and shall account for and turn over such bond or cash bail to the court having jurisdiction.

(b) The Court Administrator shall designate persons to set bail for any person under arrest prior to arraignment when the offense charged provides for a penalty of less than two years imprisonment or a fine of not more than \$1,000.00, or both. Such persons designated by the Court Administrator shall be considered judicial officers for the purposes of sections 7554 and 7556 of this title.

(c) Any person who is designated by the Court Administrator under subsection (b) of this section, may refuse the designation by so notifying the Court Administrator in writing within seven days of the designation.

Sec. 7. COMMUNITY RESTITUTION; INTENT

It is the intent of the General Assembly that the Department of Corrections reinstitute the Community Restitution Program and ensure that it is appropriately staffed and resourced so that it may be offered in all 14 counties as a sentencing alternative.

Sec. 8. 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 noncompliance with court orders or failures to appear in connection in connection with a criminal prosecution; 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) Community restitution pursuant to a policy adopted by the Commissioner of Corrections.

(4) Probation pursuant to 28 V.S.A. § 205.

(4)(5) Supervised community sentence pursuant to 28 V.S.A. § 352.

(5)(6) 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. 9. 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. 10. JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE;  
PRETRIAL SUPERVISION PROGRAM; RECOMMENDATIONS;  
REPORT

(a) The Joint Legislative Justice Oversight Committee shall review the PreTrial Supervision Program established pursuant to 13 V.S.A. § 7555. The Committee shall review and provide recommendations to the Department of Corrections for the most prudent use of any funds appropriated to the Department to operate the Program. The review shall also include recommendations concerning the geographic areas that the Department may first implement the Program and future funding mechanisms for the Program.

(b) The Committee's recommendations pursuant to subsection (a) of this section shall be submitted to the Department on or before September 1, 2024 and to the General Assembly on or before November 15, 2024.

Sec. 11. CORRECTIONS MONITORING COMMISSION; DEFICIENCIES;  
RECONSTITUTION; REPORT

(a) On or before January 1, 2025, the Corrections Monitoring Commission shall conduct a review to identify what the Commission's needs are to operate, including its structural challenges; recommendations of changes to the membership of the Commission; the training necessary for members to operate effectively as a Commission; and the resources necessary given its mandates pursuant to 28 V.S.A. § 123.

(b) On or before January 15, 2025, the Commission shall present the results of the review to the Senate Committee on Judiciary and the House Committee on Corrections and Institutions.

Sec. 12. PROSPECTIVE REPEAL

13 V.S.A. § 7555 shall be repealed on December 31, 2026.

Sec. 13. EFFECTIVE DATE

This act shall take effect on passage.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Sears moved that the Senate concur in the

House proposal of amendment with further proposals of amendment as follows:

First: In Sec. 1, 13 V.S.A. § 7551(b), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(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.

Second: In Sec. 12, prospective repeal, by striking the word “2026” following “December 31” and inserting in lieu thereof 2030

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment with further proposals of amendment?, Senator Vyhovsky requested pursuant to Rule 67 the proposals of amendment be divided.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment as moved by Senator Sears in the *first* instance?, was agreed to.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment as moved by Senator Sears in the *second* instance?, was agreed to.

**Rules Suspended, Further Proposal of Amendment; Bill Passed in  
Concurrence with Proposal of Amendment**

**H. 878.**

On motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to miscellaneous judiciary procedures.

Was placed in all remaining stages of passage.

Thereupon, pending third reading of the bill, Senator Sears, moved that the Senate further propose to the House to amend the bill by striking out Secs. 51, 52, and 53 in their entireties and inserting in lieu thereof new Secs. 51, 52, and 53 to read as follows:

Sec. 51. [Deleted.]

Sec. 52. [Deleted.]

Sec. 53. [Deleted.]

Which was agreed to.

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

### House Proposal of Amendment Concurred In

#### S. 254.

House proposal of amendment to Senate bill entitled:

An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program.

Was taken up.

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

First: In Sec. 1, 10 V.S.A. chapter 168, in section 7581, in subdivision (9), as amended, after “means” and before “readily detachable” by inserting the words “the battery is”

and, in section 7587, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) Sale prohibited. Except as set forth in subsection (b) of this section, no retailer shall sell or offer for sale a primary battery, rechargeable battery, or battery-containing product on or after January 1, ~~2016~~ 2026 unless the producer of the primary battery, rechargeable battery, or battery-containing product is implementing an approved ~~primary~~ battery stewardship plan, is a member of a ~~primary~~ battery stewardship organization implementing an approved ~~primary~~ battery stewardship plan, or is exempt from participation in an approved plan, as determined by review of the producers listed on the Agency website required in subsection 7586(f) of this title.

Second: By adding two new sections to be Secs. 4a and 4b to read as follows:

Sec. 4a. 10 V.S.A. § 7182(b) is amended to read:

(b) Stewardship organization registration requirements.

(1) On or before ~~January~~ July 1, 2025 and annually thereafter, a stewardship organization shall file a registration form with the Secretary. The Secretary shall provide the registration form to the stewardship organization. The registration form shall include:

\* \* \*

Sec. 4b. 10 V.S.A. § 6615f is added to read:

§ 6615f. ADMINISTRATIVE USE CONTROLS AT CONTAMINATED SITES

(a) A petition for administrative use controls at a hazardous material contaminated site may be made by a person responding to a release at that site. The petition shall be made on a form developed by the Secretary that includes the following:

(1) a brief description of the contamination at the site and work completed under an approved corrective action plan;

(2) a legal description of the property or properties subject to administrative use controls;

(3) a digital map that shows the boundaries of the property or properties subject to the administrative use controls and any operational units on the property or properties where more detailed controls will be applied;

(4) a narrative description of the uses that are prohibited on the property under the administrative use control, including any specific restrictions applicable to operational units on the property;

(5) signatures of the property owner or persons with legal control of the property certifying that they accept the imposition of these administrative use controls on their property; and

(6) any other requirement that the Secretary requires by rule.

(b) The Secretary shall approve the administrative use controls upon finding:

(1) the administrative use controls adequately protect human health and the environment;

(2) the administrative use controls are consistent with requirements of the plan required by rules adopted pursuant to this chapter and approved by the Secretary; and

(3) the petition contains adequate information to ensure that current and future owners are aware of the restrictions.

(c) Administrative use controls may require:

(1) restrictions on the use of the property or operational units on the property where restrictions are placed;

(2) a right to access the property to ensure that the restrictions are maintained; and

(3) requirements to maintain the restrictions and report on their implementation.



(d) Administrative use controls shall be effective until a property owner or person with legal control petitions the Secretary for their removal. The Secretary shall remove the administrative use controls if the property owner:

(1) clearly demonstrates that the contamination that was the basis of the administrative use controls has naturally attenuated; or

(2) has completed a subsequent corrective action plan that either remediates the hazardous material below environmental media standards or requires alternate administrative use controls.

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

### **House Proposal of Amendment Concurred In**

#### **S. 259.**

House proposal of amendment to Senate bill entitled:

An act relating to climate change cost recovery.

Was taken up.

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

First: In Sec. 2, 10 V.S.A. chapter 24A, in section 596, in subdivision (21), after “the Fund and the Program and” and before “a climate change adaptation project” by striking out the words “as part of the support of” and inserting in lieu thereof the words “to pay for”

Second: In Sec. 2, 10 V.S.A. chapter 24A, in section 598, in subsection (d), after “Inventories as applied to the” and before “fossil fuel volume data” by striking out the words “best publicly available”

and in section 598, by striking out subdivision (g)(2)(C) in its entirety and inserting in lieu thereof a new subdivision (g)(2)(C) to read as follows:

(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 may charge reasonable interest on each installment payment or a payment delayed for any other reason and, at the Secretary’s discretion, may adjust the amount of a subsequent installment payment or a payment delayed for any other reason to reflect increases or decreases in the Consumer Price Index.

and in section 598, in subsection (i), in the first sentence, after “with the Secretary within” and before “days following issuance” by striking out the number “15” and inserting in lieu thereof the number “30”

and in section 598, by striking out subsection (j) in its entirety and inserting in lieu thereof a new subsection (j) to read as follows:

(j) Nothing in this section shall be construed to supersede or diminish in any way any other remedies available to a person, as that term is defined in 1 V.S.A. § 128, at common law or under statute.

Third: In Sec. 2, 10 V.S.A. chapter 24A, in section 599a, in subdivision (b)(1), after “adopting methodologies using” and before “available science” by striking out the words “the best”

Fourth: By striking out Sec. 7, effective date, in its entirety and inserting in lieu thereof a new Sec. 7 to read as follows:

#### Sec. 7. EFFECTIVE DATES

This act shall take effect July 1, 2024, except that, notwithstanding 1 V.S.A. §§ 213 and 214, the liability of responsible parties for cost recovery demands under 10 V.S.A. chapter 24A shall apply retroactively to the covered period beginning January 1, 1995.

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

### **House Proposal of Amendment Concurred In**

#### **S. 302.**

House proposal of amendment to Senate bill entitled:

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

Was taken up.

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

Sec. 1. 33 V.S.A. § 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) To the extent funds exist, 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 codes 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. PRESENTATION; ADDRESSING RARE DISEASES

On or after January 15, 2025, the Department of Health shall provide a presentation to the House Committee on Human Services and to the Senate Committee on Health and Welfare describing the public health impact of rare diseases in Vermont and the Department's role in addressing rare diseases statewide.

## Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

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

**House Proposal of Amendment Concurred In****S. 305.**

House proposal of amendment to Senate bill entitled:

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

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:

\* \* \* Notice \* \* \*

Sec. 1. 3 V.S.A. § 165(b) is amended to read:

(b) Public contract advocates shall be appointed or retained for such time as may be required to monitor, represent the public interest, and report on any contract for basic telecommunications service under 30 V.S.A. § 226a. Compensation, expenses, and support of public contract advocates shall be assessed as costs to the Department of Public Service and paid from the revenues received from the tax to finance the Department and the ~~Board~~ Public Utility Commission levied under 30 V.S.A. § 22.

Sec. 2. 30 V.S.A. § 8(d) is amended to read:

~~(d) At least 12 days prior to Written notice of a hearing before the Commission a Commissioner or a hearing officer, the Commission shall give written notice of the time and place of the hearing to all parties to the case and shall indicate the name and title of the person designated to conduct the hearing shall be given in accordance with 30 V.S.A. § 10.~~

Sec. 3. 30 V.S.A. § 10(c) is amended to read:

~~(c) A scheduling or procedural conference~~ As used in this section, the term "hearings" refers to public hearings and evidentiary hearings. All other proceedings before the Commission may be held upon any reasonable notice.

Sec. 4. 30 V.S.A. § 102(a) is amended to read:

(a) Before the articles of incorporation are transmitted to the Secretary of State, the incorporators shall petition the Public Utility Commission to determine whether the establishment and maintenance of the corporation will

promote the general good of the State and shall at that time file a copy of any petition with the Department. The Department, within 12 days, shall review the petition and file a recommendation regarding the petition in the same manner as is set forth in subsection 225(b) of this title. The recommendation shall set forth reasons why the petition shall be accepted without hearing or shall request that a hearing on the petition be scheduled. If the Department requests a hearing on the petition, or, if the Commission deems a hearing necessary, it shall appoint a time and place either remotely accessible or in the county where the proposed corporation is to have its principal office for hearing the petition. ~~At least 12 days before this hearing, notice~~ Notice of the hearing shall be given in accordance with section 10 of this title and shall be published on the Commission's website and once in a newspaper of general circulation in the county in which the proposed corporation is to have its principal office. The website notice shall be maintained through the date of the hearing. The newspaper notice shall include an ~~Internet~~ internet address where more information regarding the petition may be viewed. The Department of Public Service, through the Director for Public Advocacy, shall represent the public at the hearing.

Sec. 5. 30 V.S.A. § 231(a) is amended to read:

(a) A person, partnership, unincorporated association, or previously incorporated association that desires to own or operate a business over which the Public Utility Commission has jurisdiction under the provisions of this chapter shall first petition the Commission to determine whether the operation of such business will promote the general good of the State, and shall at that time file a copy of any such petition with the Department. The Department, within 12 days, shall review the petition and file a recommendation regarding the petition in the same manner as is set forth in subsection 225(b) of this title. Such recommendation shall set forth reasons why the petition shall be accepted without hearing or shall request that a hearing on the petition be scheduled. If the Department requests a hearing on the petition, or, if the Commission deems a hearing necessary, it shall appoint a time and place in the county where the proposed corporation is to have its principal office for hearing the petition. ~~At least 12 days before this hearing, notice~~ Notice of the hearing shall be given in accordance with section 10 of this title and shall be published on the Commission's website and once in a newspaper of general circulation in the county in which the hearing will occur. The website notice shall be maintained through the date of the hearing. The newspaper notice shall include an ~~Internet~~ internet address where more information regarding the petition may be viewed. The Director for Public Advocacy shall represent the public at the hearing. If the Commission finds that the operation of such business will promote the general good of the State, it shall give such person,

partnership, unincorporated association, or previously incorporated association a certificate of public good specifying the business and territory to be served by such petitioners. For good cause, after opportunity for hearing, the Commission may amend or revoke any certificate awarded under the provisions of this section. If any such certificate is revoked, the person, partnership, unincorporated association, or previously incorporated association shall no longer have authority to conduct any business ~~which~~ that is subject to the jurisdiction of the Commission whether or not regulation thereunder has been reduced or suspended, under section 226a or 227a of this title.

Sec. 6. 30 V.S.A. § 248(u) is amended to read:

(u) ~~For an energy storage facility, a~~ A certificate under this section shall only be required for ~~a stationary facility exporting to the grid an energy storage facility~~ that has a capacity of 100 kW or greater, unless the Commission establishes a larger threshold by rule. The Commission shall establish a simplified application process for energy storage facilities subject to this section with a capacity of up to 1 MW, unless it establishes a larger threshold by rule. For facilities eligible for this simplified application process, a certificate of public good will be issued by the Commission by the ~~forty-sixth~~ 46th day following filing of a complete application, unless a substantive objection is timely filed with the Commission or the Commission itself raises an issue. The Commission may require facilities eligible for the simplified application process to include a letter from the interconnecting utility indicating the absence or resolution of interconnection issues as part of the application.

\* \* \* 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. An entity appointed under 30 V.S.A. § 209(d)(2)(A) that has a three-year electric resource acquisition budget of less than \$8,000,000.00 may spend up to \$800,000.00 of its resource acquisition budget, and any additional amounts the entity has available to it through annually-budgeted thermal energy and process fuel funds and carry-forward thermal energy and process fuel funds from prior periods, on programs, measures, and services that reduce greenhouse gas emissions in the thermal energy or transportation sector. 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.

(~~1~~) 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.

(1) Each entity that sells heating fuel into or in Vermont shall register annually with the Commission by an annual deadline established by the Commission. The first registration deadline is January 31, 2024, and the annual deadline shall ~~remain January 31 of each year unless a different deadline is established by the Commission~~ be June 30 of each year after. The form and information required in the registration shall be determined by the Commission and shall include all data necessary to establish annual requirements under this chapter. The Commission shall use the information provided in the registration to determine whether the entity shall be considered an obligated party and the amount of its annual requirement.

\* \* \*

(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

\* \* \*

(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:

\* \* \*

(23) To the Public Utility Commission and the Department of Public Service, provided the disclosure relates to the fuel tax under 33 V.S.A. chapter 25 and is used for the purposes of auditing compliance with the Clean Heat Standard under 30 V.S.A. chapter 94. The Commissioner shall, at a minimum, provide the names of any new businesses selling heating fuel in any given year and the names of any businesses that are no longer selling heating fuel.

\* \* \*

\* \* \* Energy Storage Fees \* \* \*

Sec. 13. 30 V.S.A. § 248c(d) is amended to read:

(d) Electric and natural gas facilities. This subsection sets fees for registrations and applications under section 248 of this title.

(1) There shall be a ~~registration~~ fee of \$100.00 for each electric generation facility less than or equal to 50 kW in plant capacity, or for a rooftop project, or for a hydroelectric project filing a net metering registration, or for an application filed under subsection 248(n) of this title, or for an energy storage facility less than or equal to 1 MW in nameplate capacity that is required to obtain a certificate of public good under section 248 of this title and is proposed to be located inside an existing building and that would not require any ground disturbance work or upgrades to the distribution system.

(2) There shall be a fee of \$25.00 for modifications for each electric generation facility less than or equal to 50 kW in plant capacity, or for a rooftop project, or for a hydroelectric project filing a net metering registration, or for an application filed under subsection 248(n) of this title, or for an energy storage facility less than or equal to 1 MW in nameplate capacity that is required to obtain a certificate of public good under section 248 of this title and is proposed to be located inside an existing building and that would not require any ground disturbance work or upgrades to the distribution system.

(3) There shall be a fee for electric generation facilities and energy storage facilities that are required to obtain a certificate of public good under section 248 of this title and that do not qualify for the lower fees in subdivisions (1) and (2) of this subsection, calculated as follows:

(A) \$5.00 per kW; and

(B) \$100.00 for modifications.

(4) For applications that include both a proposed electric generation facility and a proposed energy storage facility, the fee shall be the larger of either the fee for the electric generation facility or the energy storage facility as set out in subdivisions (1) and (3) of this subsection.

(5) For applications that propose to add an energy storage facility to a location that already has a certificate of public good for an electric generation facility, the fee shall be that for a proposed new energy storage facility as set out in subdivisions (1) and (3) of this subsection.

(6) For applications that propose to add an electric generation facility to a location that already has a certificate of public good for an energy storage facility, the fee shall be that for a proposed new electric generation facility as set out in subdivisions (1) and (3) of this subsection.

\* \* \* Energy Savings Account \* \* \*

Sec. 14. 30 V.S.A. § 209 is amended to read:

§ 209. JURISDICTION; GENERAL SCOPE

\* \* \*

(d) Energy efficiency.

\* \* \*

(3) Energy efficiency charge; regulated fuels. In addition to its existing authority, the Commission may establish by order or rule a volumetric charge to customers for the support of energy efficiency programs that meet the requirements of section 218c of this title, with due consideration to the State's energy policy under section 202a of this title and to its energy and economic policy interests under section 218e of this title to maintain and enhance the State's economic vitality. The charge shall be known as the energy efficiency charge, shall be shown separately on each customer's bill, and shall be paid to a fund administrator appointed by the Commission and deposited into the Electric Efficiency Fund. When such a charge is shown, notice as to how to obtain information about energy efficiency programs approved under this section shall be provided in a manner directed by the Commission. This notice shall include, at a minimum, a toll-free telephone number, and to the extent feasible shall be on the customer's bill and near the energy efficiency charge.

\* \* \*

(B) The charge established by the Commission pursuant to this subdivision (3) shall be in an amount determined by the Commission by rule or order that is consistent with the principles of least-cost integrated planning as defined in section 218c of this title. As circumstances and programs evolve, the amount of the charge shall be reviewed for unrealized energy efficiency potential and shall be adjusted as necessary in order to realize all reasonably available, cost-effective energy efficiency savings. In setting the amount of the charge and its allocation, the Commission shall determine an appropriate balance among the following objectives; provided, however, that particular

emphasis shall be accorded to the first four of these objectives: reducing the size of future power purchases; reducing the generation of greenhouse gases; limiting the need to upgrade the State's transmission and distribution infrastructure; minimizing the costs of electricity; reducing Vermont's total energy demand, consumption, and expenditures; providing efficiency and conservation as a part of a comprehensive resource supply strategy; providing the opportunity for all Vermonters to participate in efficiency and conservation programs; and targeting efficiency and conservation efforts to locations, markets, or customers where they may provide the greatest value.

(C) The Commission, by rule or order, shall establish a process by which a customer who pays an average annual energy efficiency charge under this subdivision (3) of at least \$5,000.00 may apply to the Commission to self-administer energy efficiency through ~~the use of an energy savings account or customer credit program which that~~ shall contain a percentage up to 75 percent and 90 percent, respectively of the customer's energy efficiency charge payments as determined by the Commission. The remaining portion of the charge shall be used for administrative, measurement, verification, and evaluation costs and for systemwide energy benefits. Customer energy efficiency funds may be approved for use by the Commission for one or more of the following: electric energy efficiency projects and non-electric efficiency projects, which may include thermal and process fuel efficiency, flexible load management, combined heat and power systems, demand management, energy productivity, and energy storage. These funds shall not be used for the purchase or installation of new equipment capable of combusting fossil fuels. The Commission in its rules or order shall establish criteria for each program and approval of these applications, establish application and enrollment periods, establish participant requirements, and establish the methodology for evaluation, measurement, and verification for programs. The total amount of customer energy efficiency funds that can be placed into energy savings accounts or the customer credit program annually is \$2,000,000.00 and \$1,000,000.00 respectively.

~~(C)~~(D) The Commission may authorize the use of funds raised through an energy efficiency charge on electric ratepayers to reduce the use of fossil fuels for space heating by supporting electric technologies that may increase electric consumption, such as air source or geothermal heat pumps if, after investigation, it finds that deployment of the technology:

\* \* \*

\* \* \* Thermal Energy \* \* \*

Sec. 15. 30 V.S.A. § 201 is amended to read:

---

§ 201. DEFINITIONS

As used in this chapter:

\* \* \*

(7) “Thermal energy exchange” means piped noncombustible fluids used for transferring heat into and out of buildings for the purpose of avoiding, eliminating, reducing any existing or new on-site greenhouse gas emissions of all types of heating and cooling processes, including comfort heating and cooling, domestic hot water, and refrigeration.

(8) “Thermal energy exchange network” means all real estate, fixtures, and personal property operated, owned, used, or to be used for or in connection with or to facilitate distribution infrastructure project that supplies thermal energy to more than one household, dwelling unit, or network of buildings that are not commonly owned. This definition does not include a mutual benefit enterprise, cooperative or common interest community that is owned by the persons it serves and that provides thermal energy exchange services only to its members, a landlord providing thermal energy exchange services only to its tenants where the service is included in the lease agreement, or any entity that provides thermal energy exchange services only to itself.

Sec. 16. 30 V.S.A. § 231 is amended to read:

§ 231. CERTIFICATE OF PUBLIC GOOD; ABANDONMENT OF SERVICE; HEARING

\* \* \*

(d) Notwithstanding any other State law to the contrary, a municipality shall have the authority to construct, operate, set rates for, finance, and use eminent domain for a thermal energy exchange network utility without a certificate of public good or approval by the Commission. Nothing in this section shall alter the requirements of 10 V.S.A. chapter 151 including for district energy projects such as those described in subdivision 209 (e)(1) of this title.

Sec. 17. THERMAL ENERGY EXCHANGE NETWORK DEVELOPMENT REPORT

(a) On or before December 1, 2025, the Public Utility Commission shall issue a report to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy on how to support the development of thermal energy exchange networks and the permitting of thermal energy exchange network providers. The report shall address all

aspects of the permitting, construction, operation, and rates of thermal energy exchange networks and recommend necessary statutory changes.

(b) Nothing in this section shall be construed to prohibit persons or companies already regulated by the Commission under 30 V.S.A. chapter 5 from pursuing thermal energy change network projects prior to completion of this study.

\* \* \* Baseload Power \* \* \*

Sec. 18. 30 V.S.A. § 8009 is amended to read:

§ 8009. BASELOAD RENEWABLE POWER PORTFOLIO  
REQUIREMENT

\* \* \*

(d) On or before November 1, ~~2026~~ 2027, the Commission shall determine, for the period beginning on November 1, ~~2026~~ 2027 and ending on November 1, 2032, the price to be paid to a plant used to satisfy the baseload renewable power portfolio requirement. The Commission shall not be required to make this determination as a contested case under 3 V.S.A. chapter 25. The price shall be the avoided cost of the Vermont composite electric utility system. As used in this subsection, the term “avoided cost” means the incremental cost to retail electricity providers of electric energy or capacity, or both, which, but for the purchase from the plant proposed to satisfy the baseload renewable power portfolio requirement, such providers would obtain from a source using the same generation technology as the proposed plant. For the purposes of this subsection, the term “avoided cost” also includes the Commission’s consideration of each of the following:

\* \* \*

(k) Collocation and efficiency requirements.

\* \* \*

(3) On or before October 1, ~~2024~~ 2025, the owner of the plant shall submit to the Commission and the Department a certification that the main components of the facility used to meet the requirement of subdivision (1) of this subsection ~~(k)~~ have been manufactured and that the construction plans for the facility have been completed.

(4) If the contract and certification required under subdivision (2) of this subsection are not submitted to the Commission and Department on or before July 1, 2023 or if the certification required under subdivision (3) is not submitted to the Commission and Department on or before October 1, ~~2024~~ 2025, then the obligation under this section for each Vermont retail electricity



provider to purchase a pro rata share of the baseload renewable power portfolio requirement shall cease on November 1, ~~2024~~ 2025, and the Commission is not required to conduct the rate determination provided for in subsection (d) of this section.

(5) On or before September 1, ~~2025~~ 2026, the Department shall investigate and submit a recommendation to the Commission on whether the plant has achieved the requirement of subdivision (1) of this subsection. If the Department recommends that the plant has not achieved the requirement of subdivision (1) of this subsection, the obligation under this section shall cease on November 1, ~~2025~~ 2026, and the Commission is not required to conduct the rate determination provided for in subsection (d) of this section.

(6) After November 1, ~~2026~~ 2027, the owner of the plant shall report annually to the Department and the Department shall verify the overall efficiency of the plant for the prior 12-month period. If the overall efficiency of the plant falls below the requirement of subdivision (1) of this subsection, the report shall include a plan to return the plant to the required efficiency within one year.

(7) If, after implementing the plan in subdivision (6) of this subsection, the owner of the plant does not achieve the efficiency required in subdivision (1) of this subsection, the Department shall request that the Commission commence a proceeding to terminate the obligation under this section.

(8) The Department may retain research, scientific, or engineering services to assist it in making the recommendation required under subdivision (5) of this subsection and in reviewing the information required under subdivision (6) of this subsection and may allocate the expense incurred or authorized by it to the plant's owner.

\* \* \*

#### Sec. 19. BIOMASS SUPPLIERS AND CONSTRUCTION

(a) The owner of the plant used to satisfy the baseload renewable power portfolio requirement under 30 V.S.A. § 8009 shall offer to enter into written contracts with each of its biomass suppliers establishing customary commercial terms, including payment timelines, supply volume, and term length.

(b) For biomass suppliers that are not a party to a supply contract with the plant owner as of April 1, 2024, the plant owner shall offer to provide supply contracts to ensure payment to such suppliers for biomass deliveries within seven business days of the invoice date.

(c) The plant owner shall ensure that the payments made to each biomass supplier are timely, accurate, and valid. In the event any payment is not timely made under the terms of a supplier contract, the plant owner shall pay a late payment penalty to the supplier equal to five percent per week.

(d) The plant owner shall hire an independent certified public accountant to review the timeliness of the plant owner's payments to its suppliers and to prepare a quarterly report detailing its findings. The quarterly report shall also include a status report on the design and construction of the facility proposed to meet the requirements of 30 V.S.A. § 8009(k). Each quarterly report shall be verified under the penalty of perjury and provided to the General Assembly and the Department of Public Service.

(e) The requirements of this section shall apply until the Commission establishes the new avoided cost paid to the plant in accordance with 30 V.S.A. § 8009(d), after which point the obligations under this section shall cease.

\* \* \* Dig Safe; Notice of Excavation Activities \* \* \*

Sec. 20. 30 V.S.A. § 7004(c) is amended to read:

(c) At least 48 72 hours, excluding Saturdays, Sundays, and legal holidays, but not more than 30 days before commencing excavation activities, each person required to give notice of excavation activities shall notify the System referred to in section 7002 of this title. Such notice shall set forth a reasonably accurate and readily identifiable description of the geographical location of the proposed excavation activities and the premarks.

\* \* \* Energy Cost Stabilization Study \* \* \*

Sec. 21. ENERGY COST STABILIZATION STUDY

(a) The General Assembly finds:

(1) Energy generation and consumption is in a state of transition, shifting towards beneficial, strategic electrification using efficiency, renewables, storage, and flexible demand management.

(2) There is an increasing understanding of energy burden that is measured in terms of the percentage of household income that is spent on energy costs.

(3) Total energy costs are a result of multiple expenditures such as electricity costs, transportation costs, and building heating and cooling costs.

(4) As energy consumption shifts from fossil fuels to electricity, electricity costs may increase but total energy costs (including transportation and building heating and cooling costs) are expected to decrease.

(5) There are various income-sensitive programs available to Vermont households that assist with energy costs.

(b) The Public Utility Commission shall study current and potential future programs and initiatives focused on reducing or stabilizing energy costs for low- or moderate-income households and shall make a determination as to whether a statewide program to reduce energy burden is needed in Vermont. In conducting its analysis, the Commission shall take into consideration a comprehensive approach that recognizes electric costs might rise but that total energy costs are expected to decrease because of increased electrification, efficiency, storage, and demand response activities. The Commission shall submit a written report of its findings and recommendations to the General Assembly on or before December 1, 2025.

(c) In conducting the study required by this section, the Commission shall seek input from interested stakeholders, including the Department of Public Service, the Agency of Human Services, the Agency of Transportation, the efficiency utilities, electric distribution utilities, residential customers, low-income program representatives, consumer-assistance program representatives, statewide environmental organizations, environmental justice entities, at least one low-income cost reduction program participant, at least one moderate-income cost reduction program participant, and any other stakeholders identified by the Commission.

(d)(1) As part of its study, the Commission shall assess current programs within and outside Vermont designed to directly reduce or stabilize energy expenditures for low- or moderate-income households and shall seek to identify successful design elements of each. In particular, the Commission shall assess:

(A) Vermont low-income electric energy cost reduction programs;

(B) statewide energy cost reduction programs currently available outside Vermont; and

(C) Vermont programs available to low- and moderate-income households that are designed to reduce transportation, thermal, or electric energy costs, including through investments in efficiency or electrification measures.

(2) In assessing existing programs, the Commission shall take into consideration and develop findings regarding each program's:

(A) funding model and funding source;

(B) eligibility requirements;

(C) process for making and monitoring eligibility determinations;

(D) administrative structure;

(E) efficacy in terms of eligibility, customer participation, funding, program offerings, and coordination with other programs, and where there might be opportunities for program improvement, particularly regarding administrative savings and efficiencies and universality of access; and

(F) ability to assist the State with achieving its greenhouse gas reduction requirements in a manner that is consistent with State policy on environmental justice.

(e) The report required by this section shall include the following:

(1) Recommendations as to how existing programs may better coordinate to ensure low- and moderate-income Vermonters are reducing their total energy consumption and costs.

(2) If applicable, identification of obstacles and recommended solutions for increasing coordination across electric, thermal, and transportation energy cost reduction programs, including through the sharing of best practices and program design and implementation successes.

(3) A recommendation as to whether existing programs should continue to operate and align with a new statewide program or, instead, transition eligible customers to a statewide program and otherwise cease operations.

(4) A recommendation regarding the most appropriate financing mechanism for a statewide energy cost stabilization program if such a program is recommended and, in addition, recommendations regarding:

(A) eligibility requirements, which may be based on income, participation in other public assistance programs, or other potential approach;

(B) a process for making and monitoring eligibility determinations;  
and

(C) any other matters deemed appropriate by the Commission.

\* \* \* Effective Dates \* \* \*

## Sec. 22. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 20, (30 V.S.A. § 7004(c)) shall take effect on November 1, 2024.

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

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**House Proposal of Amendment to Senate Proposal of Amendment  
Concurred In**

**H. 655.**

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

An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records.

Was taken up.

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

First: By striking out Sec. 1, sealing criminal history records; Joint Legislative Justice Oversight Committee, in its entirety and by renumbering the remaining sections to be numerically correct.

Second: In the newly renumbered Sec. 1, petitionless sealing, after the first instance of “recommendation” by inserting “on how”

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

**Rules Suspended; Immediate Consideration; Third Reading Ordered**

**H. 885.**

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

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

Was taken up for immediate consideration.

Senator Watson, for the Committee on Government Operations, to which the bill was referred, 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.

**Rules Suspended; Immediate Consideration; Proposals of Amendment;  
Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence  
with Proposals of Amendment**

**H. 622.**

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

An act relating to emergency medical services.

Was taken up for immediate consideration.

Senator Williams, for the Committee on Health and Welfare, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill as follows:

In Sec. 3, 33 V.S.A. § 1901m, subsection (b), following “equal to the,” by striking out “Medicare basic life support rate” and inserting in lieu thereof applicable Medicare rate

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

Senator Hardy, for the Committee on Government Operations, 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 in Sec. 6, EMS Advisory Committee statewide EMS system design, as follows:

First: In subsection (b), following “statewide EMS system”, by inserting before the comma that aligns with the purpose expressed in 18 V.S.A. § 901, optimizes patient care, and incorporates nationally recognized best practices

Second: By designating the existing subsection (c) as subdivision (c)(1) and by adding a subdivision (c)(2) to read as follows:

(2) The EMS Advisory Committee and the Department of Health shall coordinate with the Public Safety Communications Task Force and the County and Regional Governance Study Committee to ensure appropriate coordination and alignment of the groups’ recommendations and system designs.

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

Senator Chittenden, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committees on Health and Welfare and on Government Operations.

Senator Lyons, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committees on Health and Welfare and on Government Operations.

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 agreed to.

Thereupon, the proposals of amendment recommended by the Committee on Government Operations were agreed to and third reading of the bill was ordered.

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

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

**Rules Suspended; Bill Passed in Concurrence**

**H. 885.**

On motion of Senator Baruth, the rules were suspended and House bill entitled:

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

Was placed in all remaining stages of its passage in concurrence.

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

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

**H. 876.**

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

An act relating to miscellaneous amendments to the corrections laws.

Was taken up for immediate consideration.

Senator Sears, for the Committee on Judiciary, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 28 V.S.A. § 801 is amended to read:

§ 801. MEDICAL CARE OF INMATES

(a) Provision of medical care. The Department shall provide health care for inmates in accordance with the prevailing medical standards. When the provision of such care requires that the inmate be taken outside the boundaries of the correctional facility wherein the inmate is confined, the Department shall provide reasonable safeguards, when deemed necessary, for the custody of the inmate while ~~he or she~~ the inmate is confined at a medical facility.

(b) Screenings and assessments.

(1) Upon admission to a correctional facility for a minimum of 14 consecutive days, each inmate shall be given a physical assessment unless extenuating circumstances exist.

(2) Within 24 hours after admission to a correctional facility, each inmate shall be screened for substance use disorders as part of the initial and ongoing substance use screening and assessment process. This process includes screening and assessment for opioid use disorders.

(c) Emergency care. When there is reason to believe an inmate is in need of medical care, the officers and employees shall render emergency first aid and immediately secure additional medical care for the inmate in accordance with the standards set forth in subsection (a) of this section. A correctional facility shall have on staff at all times at least one person trained in emergency first aid.

(d) Policies. The Department shall establish and maintain policies for the delivery of health care in accordance with the standards in subsection (a) of this section.

(e) Pre-existing prescriptions; definitions for subchapter.

(1) Except as otherwise provided in this subsection, an inmate who is admitted to a correctional facility while under the medical care of a licensed physician, a licensed physician assistant, or a licensed advanced practice registered nurse and who is taking medication at the time of admission pursuant to a valid prescription as verified by the inmate's pharmacy of record, primary care provider, other licensed care provider, or as verified by the Vermont Prescription Monitoring System or other prescription monitoring or information system, including buprenorphine, methadone, or other medication prescribed in the course of ~~medication-assisted treatment~~ medication for opioid use disorder, shall be entitled to continue that medication and to be provided that medication by the Department pending an evaluation by a licensed



physician, a licensed physician assistant, or a licensed advanced practice registered nurse.

(2) Notwithstanding subdivision (1) of this subsection, the Department may defer provision of a validly prescribed medication in accordance with this subsection if, in the clinical judgment of a licensed physician, a physician assistant, or an advanced practice registered nurse, it is not medically necessary to continue the medication at that time.

(3) The licensed practitioner who makes the clinical judgment to discontinue a medication shall cause the reason for the discontinuance to be entered into the inmate's medical record, specifically stating the reason for the discontinuance. The inmate shall be provided, both orally and in writing, with a specific explanation of the decision to discontinue the medication and with notice of the right to have ~~his or her~~ the inmate's community-based prescriber notified of the decision. If the inmate provides signed authorization, the Department shall notify the community-based prescriber in writing of the decision to discontinue the medication.

(4) It is not the intent of the General Assembly that this subsection shall create a new or additional private right of action.

(5) As used in this subchapter:

(A) "Medically necessary" describes health care services that are appropriate in terms of type, amount, frequency, level, setting, and duration to the individual's diagnosis or condition, are informed by generally accepted medical or scientific evidence, and are consistent with generally accepted practice parameters. Such services shall be informed by the unique needs of each individual and each presenting situation, and shall include a determination that a service is needed to achieve proper growth and development or to prevent the onset or worsening of a health condition.

(B) ~~"Medication-assisted treatment" shall have~~ "Medication for opioid use disorder" has the same meaning as in 18 V.S.A. § 4750.

(f) Third-party medical provider contracts. Any contract between the Department and a provider of physical or mental health services shall establish policies and procedures for continuation and provision of medication at the time of admission and thereafter, as determined by an appropriate evaluation, which will protect the ~~mental and physical~~ health of inmates.

(g) Prescription medication; reentry planning.

(1) If an offender takes a prescribed medication while incarcerated and that prescribed medication continues to be both available at the facility and clinically appropriate for the offender at the time of discharge from the

correctional facility, the Department or its contractor shall provide the offender, at the time of release, with not less than a 28-day supply of the prescribed medication, if possible, to ensure that the inmate may continue taking the medication as prescribed until the offender is able to fill a new prescription for the medication in the community. The Department or its contractor shall also provide the offender exiting the facility with a valid prescription to continue the medication after any supply provided during release from the facility is depleted.

(2) The Department or its contractor shall identify any necessary licensed health care provider or substance use disorder treatment program, or both, and schedule an intake appointment for the offender with the provider or program to ensure that the offender can continue care in the community as part of the offender's reentry plan. The Department or its contractor may employ or contract with a case worker or health navigator to assist with scheduling any health care appointments in the community.

Sec. 2. 28 V.S.A. § 801b is amended to read:

§ 801b. MEDICATION-ASSISTED TREATMENT MEDICATION FOR OPIOID USE DISORDER IN CORRECTIONAL FACILITIES

(a) If an inmate receiving ~~medication-assisted treatment~~ medication for opioid use disorder prior to entering the correctional facility continues to receive medication prescribed in the course of ~~medication-assisted treatment~~ medication for opioid use disorder pursuant to section 801 of this title, the inmate shall be authorized to receive that medication for as long as medically necessary.

(b)(1) If at any time an inmate screens positive as having an opioid use disorder, the inmate may elect to commence buprenorphine-specific ~~medication-assisted treatment~~ medication for opioid use disorder if it is deemed medically necessary by a provider authorized to prescribe buprenorphine. The inmate shall be authorized to receive the medication as soon as possible and for as long as medically necessary.

(2) Nothing in this subsection shall prevent an inmate who commences ~~medication-assisted treatment~~ medication for opioid use disorder while in a correctional facility from transferring from buprenorphine to methadone if:

(A) methadone is deemed medically necessary by a provider authorized to prescribe methadone; and

(B) the inmate elects to commence methadone as recommended by a provider authorized to prescribe methadone.

(c) The licensed practitioner who makes the clinical judgment to discontinue a medication shall cause the reason for the discontinuance to be entered into the inmate's medical record, specifically stating the reason for the discontinuance. The inmate shall be provided, both orally and in writing, with a specific explanation of the decision to discontinue the medication and with notice of the right to have ~~his or her~~ the inmate's community-based prescriber notified of the decision. If the inmate provides signed authorization, the Department shall notify the community-based prescriber in writing of the decision to discontinue the medication.

(d)(1) As part of reentry planning, the Department shall commence ~~medication-assisted treatment~~ medication for opioid use disorder prior to an ~~inmate's~~ offender's release if:

(A) the ~~inmate~~ offender screens positive for an opioid use disorder;

(B) ~~medication-assisted treatment~~ medication for opioid use disorder is medically necessary; and

(C) the ~~inmate~~ offender elects to commence ~~medication-assisted treatment~~ medication for opioid use disorder.

(2) If ~~medication-assisted treatment~~ medication for opioid use disorder is indicated and despite best efforts induction is not possible prior to release, the Department shall ensure comprehensive care coordination with a community-based provider.

(3) If an offender takes a prescribed medication as part of medication for opioid use disorder while incarcerated and that prescription medication is both available at the facility and clinically appropriate for the offender at the time of discharge from the correctional facility, the Department or its contractor shall provide the offender, at the time of release, with a legally permissible supply to ensure that the offender may continue taking the medication as prescribed prior to obtaining the prescription medication in the community.

(e)(1) Counseling or behavioral therapies shall be provided in conjunction with the use of medication for medication-assisted treatment as provided for in the Department of Health's "Rule Governing ~~Medication-Assisted Therapy for Opioid Dependence~~ Medication for Opioid Use Disorder for: (1) Office-Based Opioid Treatment Providers Prescribing Buprenorphine; and (2) Opioid Treatment Providers."

(2) As part of reentry planning, the Department shall inform and offer care coordination to an offender to expedite access to counseling and behavioral therapies within the community.

(3) As part of reentry planning, the Department or its contractor shall identify any necessary licensed health care provider or an opioid use disorder treatment program, or both, and schedule an intake appointment for the offender with the providers or treatment program, or both, to ensure that the offender can continue treatment in the community as part of the offender's reentry plan. The Department or its contractor may employ or contract with a case worker or health navigator to assist with scheduling any health care appointments in the community.

Sec. 3. JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE;  
EARNED TIME EXPANSION; PAROLEES; EDUCATIONAL  
CREDITS, REVIEW

(a) The Joint Legislative Justice Oversight Committee shall review whether the Department of Corrections' current earned time program should be expanded to include parolees, as well as permitting earned time for educational credits for both offenders and parolees.

(b) The review of the Department's earned time program shall also include an examination of the current operation and effectiveness of the Department's victim notification system and whether it has the capabilities to handle an expansion of the earned time program. The Committee shall solicit testimony from the Department; the Center for Crime Victim Services; victims and survivors of crimes, including those who serve on the advisory council for the Center for Crime Victim Services; and the Department of State's Attorneys and Sheriffs.

(c) On or before November 15, 2024, the Committee shall submit any recommendations from the study pursuant to this section to the Senate Committee on Judiciary and the House Committee on Corrections and Institutions.

Sec. 4. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

\* \* \*

(m)(1) An individual sentenced to serve a period of imprisonment of six months or more committed to the custody of the Commissioner of Corrections who is eligible for a nondriver identification card under the requirements of this section shall, upon proper application and in advance of release from a correctional facility, be provided with a nondriver identification card for a fee of \$0.00.

(2) As part of reentry planning, the Department of Corrections shall inquire with the individual to be released about the individual's desire to

obtain a nondriver identification card or any driving credential, if eligible, and inform the individual about the differences, including any costs to the individual.

(3) If the individual desires a nondriver identification card, the Department of Corrections shall coordinate with the Department of Motor Vehicles to provide an identification card for the individual at the time of release.

#### Sec. 5. FAMILY VISITATION; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Family Friendly Visitation Study Committee to examine how the Department of Corrections can facilitate greater family friendly visitation methods for all inmates who identify as parents, guardians, and parents with visitation rights.

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

(1) the Commissioner of Corrections or designee;

(2) the Child, Family, and Youth Advocate or designee;

(3) a representative from Lund's Kids-A-Part program;

(4) the Commissioner for Children and Families or designee; and

(5) a representative from the Vermont Network Against Domestic and Sexual Violence.

(c) Powers and duties. The Study Committee shall study methods and approaches to better family friendly visitation for inmates who identify as parents, guardians, and parents with visitation rights, including the following issues:

(1) establishing a Department policy that facilitates family friendly visitation to inmates who identify as parents, guardians, and parents with visitation rights;

(2) assessing correctional facility capacity and resources needed to facilitate greater family friendly visitation to inmates who identify as parents, guardians, and parents with visitation rights;

(3) evaluating the possibility of locating inmates at correctional facilities closer to family;

(4) assessing how inmate discipline at a correctional facility affects family visitation;

(5) examining the current Kids-A-Part visitation program and determining steps to achieve parity with the objectives pursuant to subsection (a) of this section;

(6) exploring more family friendly visiting days and hours; and

(7) consulting with other stakeholders on relevant issues as necessary.

(d) Assistance. The Study Committee shall have the administrative, technical, and legal assistance of the Department of Corrections.

(e) Report. On or before January 15, 2025, the Study Committee shall submit a written report to the House Committee on Corrections and Institutions and the Senate Committee on Judiciary with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Commissioner of Corrections or designee shall call the first meeting of the Study Committee to occur on or before August 1, 2024.

(2) The Study Committee shall meet not more than six times.

(3) The Commissioner of Corrections or designee shall serve as the Chair of the Study Committee.

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

(5) The Study Committee shall cease to exist on February 15, 2025.

(g) Compensation and reimbursement. Members of the Study Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than six meetings per year.

#### Sec. 6. CORRECTIONAL FACILITIES; INMATE POPULATION REDUCTION; REPORT

(a) Findings and intent.

(1) The General Assembly finds that the population of inmates in Vermont has risen from approximately 300 detainees per day in 2020 to approximately 500 detainees per day in 2024 while the sentenced population has remained relatively stable during the same time period.

(2) It is the intent of the General Assembly that, by 2034, the practice of Vermont inmates being housed in privately operated, for-profit, or out-of-state correctional facilities shall be prohibited so that corporations are not enriched for depriving the liberty of persons sentenced to imprisonment. It is the

further intent of the General Assembly that such a prohibition does not affect inmates who are incarcerated pursuant to an interstate compact.

(b) Report. On or before November 15, 2025, the Judiciary, in consultation with the Department of Corrections, the Department of Buildings and General Services, the Department of State's Attorneys and Sheriffs, the Office of the Defender General, and the Law Enforcement Advisory Board, shall submit a written report to the House Committee on Corrections and Institutions and the Senate Committee on Judiciary detailing methods to reduce the number of offenders and detainees in Vermont correctional facilities. The report shall include:

(1) identifying new laws or amendments to current laws to help reduce the number of individuals who enter the criminal justice system;

(2) methods to divert individuals away from the criminal justice system once involved;

(3) initiatives to keep individuals involved in the criminal justice system out of Vermont's correctional facilities; and

(4) an analysis of the financial savings attributed to implementing subdivisions (1)–(3) of this subsection and how any savings can be reinvested.

(c) Status update. On or before December 1, 2024, the Department of Corrections shall provide a status update of the report identified in subsection (b) of this section to the Joint Legislative Justice Oversight Committee in the form of a written outline, which shall include any legislative recommendations.

(d) Support. The stakeholders identified in subsection (b) of this section may contract with third parties to assist in the development of the report pursuant to this section.

#### **Sec. 7. REENTRY SERVICES; NEW CORRECTIONAL FACILITIES; PROGRAMMING; RECOMMENDATIONS**

On or before November 15, 2024, the Department of Corrections, in consultation with the Department of Buildings and General Services, shall submit recommendations to the Senate Committee on Judiciary and the House Committee on Corrections and Institutions detailing the following:

(1) an examination of the Department of Corrections' reentry and transitional services with the objective to transition and implement modern strategies and facilities to assist individuals involved with the criminal justice system to obtain housing, vocational and job opportunities, and other services to successfully reintegrate into society;

(2) the recommended size of a new women's correctional facility, including the scope and quality of programming and services housed in the facility and any therapeutic, educational, and other specialty design features necessary to support the programming and services offered in the facility; and

(3) whether it is advisable to construct a new men's correctional facility on the same campus as the women's correctional facility or at another location.

#### Sec. 8. EXECUTIVE BRANCH; POSITIONS; RECLASSIFICATION

To the extent funds are available and based on the operational needs of the Executive Branch as determined by the Secretary of Administration in accordance with 3 V.S.A. § 2224, in fiscal year 2025, seven permanent, classified manager positions that are currently vacant shall be transferred and properly classified as central operations specialist positions within the Department of Corrections. In addition to any other duties deemed appropriate by the Department, the central operations specialists shall assist in the Department's obligations to attend to individuals in its custody who are located or admitted at hospitals.

#### Sec. 9. 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.

Senator Sears, 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 Judiciary with the following amendments thereto:

First: In Sec. 6, correctional facilities; inmate population reduction; report, in subsection (b), in the first sentence, by striking out "the Department of Buildings and General Services," following "in consultation with the Department of Corrections,"

Second: In Sec. 7, reentry services; new correctional facilities; programming; recommendations, in subdivision (3), by striking out "correctional" following "men's" and inserting in lieu thereof reentry

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 the proposal of amendment of the Committee on Judiciary 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 Judiciary, as amended?, Senator Sears moved to amend the proposal of amendment of the Committee on Judiciary as follows:

By striking out Sec. 8, executive branch; positions; reclassification, in its entirety and inserting in lieu thereof the following:

Sec. 8. DEPARTMENT OF CORRECTIONS; PROBATION AND PAROLE OFFICERS; HOSPITAL COVERAGE; PLAN

(a) Intent. It is the intent of the General Assembly to afford relief to the probation and parole officers of the Department of Corrections who are providing emergency coverage, in addition to their own duties and responsibilities, to supervise individuals in the custody of the Department who are located or admitted at hospitals.

(b) Plan. On or before January 15, 2025, the Department of Corrections, in consultation with the Agency of Administration, shall present a plan to the Senate Committees on Appropriations and on Judiciary and the House Committee on Appropriations and on Corrections and Institutions to address the Department's staffing shortages related to hospital coverage and in accordance with subsection (a) of this section. The plan shall address:

(1) general staffing recommendations to relieve probation and parole officers from providing hospital coverage as outlined in this section;

(2) the number of staff required to provide adequate relief to probation and parole officers providing hospital coverage; and

(3) the costs associated with the Department's staffing recommendations and requirements.

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 Judiciary, as amended?, was agreed to and third reading of the bill was ordered.

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

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

**Rules Suspended; Immediate Consideration; House Proposal of  
Amendment Concurred In**

**S. 55.**

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

An act relating to authorizing public bodies to meet electronically under Vermont's Open Meeting Law.

Was taken up for immediate consideration.

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

Sec. 1. 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.

(4) "Hybrid meeting" means a meeting that includes both a designated physical meeting location and a designated electronic meeting platform.

~~(3)~~(5)(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)~~(6) “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)~~(7) “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)~~(8) “Quasi-judicial proceeding” means a proceeding ~~which~~ that is:

\* \* \*

(9) “Undue hardship” means an action required to achieve compliance would require significant difficulty or expense in light of factors including the overall size of the entity, sufficient personnel and staffing availability, the entity’s budget, and the costs associated with compliance.

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) State nonadvisory public bodies; hybrid meeting requirement. Any public body of the State, except advisory bodies, 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) State and local advisory bodies; 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) State nonadvisory public bodies; State and local advisory bodies; designating electronic platforms. State nonadvisory public bodies meeting in a hybrid fashion pursuant to subdivision (3) of this subsection and State and local advisory bodies meeting without a physical meeting location pursuant to subdivision (4) of this subsection shall designate and use an 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) Local nonadvisory public bodies; meeting recordings.

(A) A public body of a municipality or political subdivision, except advisory bodies, shall record, in audio or video form, any meeting of the public body and post a copy of the recording in a designated electronic

location for a minimum of 30 days following the approval and posting of the official minutes for a meeting.

(B) A municipality is exempt from subdivision (A) of this subdivision (6) if compliance would impose an undue hardship on the municipality.

(C) A municipality shall have the burden of proving that compliance under this section would impose an undue hardship on the municipality.

\* \* \*

(j) Request for access.

(1) 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, but not to a series of regular meetings, special meetings, emergency meetings, or field visits.

(2) The request shall be made in writing, as specified by the public body, not less than two business days before the date of the meeting. The public body shall not require the requestor to provide a basis for the request.

(3) The public body shall grant the request unless:

(A) there is an all-hazards event as defined in 20 V.S.A. § 2 or a state of emergency declared pursuant to 20 V.S.A. §§ 9 and 11;

(B) there is a local incident as defined in section 312a of this subchapter; or

(C) compliance would impose an undue hardship on the municipality.

(4) A public body shall have the burden of proving that compliance under subdivision (3) of this subsection would impose an undue hardship on the public body.

Sec. 4. COMMUNICATIONS UNION DISTRICTS; STATE  
NONADVISORY PUBLIC BODIES; DESIGNATED PHYSICAL  
MEETING LOCATION EXCEPTION

Until January 1, 2025, notwithstanding the provisions of 1 V.S.A. § 312(a)(3), communications union districts and State nonadvisory public bodies shall not be required to designate a physical meeting location for regular and special meetings or hold regular and special meetings in a hybrid fashion.

Sec. 5. 1 V.S.A. § 312(k) is added to read:

(k) Training.

(1) Annually, the following officers shall participate in a professional training that addresses the procedures and requirements of this subchapter:

(A) for municipalities and political subdivisions, the chair of the legislative body, town manager, and mayor; and

(B) for the State, the chair of any public body that is not an advisory body.

(2) The Secretary of State shall develop the training required by subdivision (1) of this subsection and make the training available to municipalities and political subdivisions and public bodies. The training may be in person, online, and synchronous or asynchronous.

Sec. 6. 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, loss of power or telecommunication services, public health emergency, public safety threat, received threat that a member of the public body believes may place the member or another person in reasonable apprehension of death or serious bodily injury, or other 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. 7. 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. 8. 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 within 24 hours until the results of the annual meeting have been certified.

\* \* \*

Sec. 9. 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. 10. 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, who shall represent municipalities of differing populations and geographically diverse areas of the State;

(2) two designees of the Vermont Municipal Clerks' and Treasurers' Association, who shall represent municipalities of differing populations and geographically diverse areas of the State;

(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.

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Sec. 11. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that Sec. 5 (1 V.S.A. § 312(k)) shall take effect on January 1, 2025.

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

“An act relating to updating Vermont’s Open Meeting Law.”

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

**Rules Suspended; Immediate Consideration; House Proposal of  
Amendment to Senate Proposal Concurred in with Proposals of  
Amendment**

**H. 687.**

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

An act relating to community resilience and biodiversity protection through land use.

Was taken up for immediate consideration.

**The President *pro tempore* Assumes the Chair**

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

First: By adding a Sec. 1a to read as follows:

Sec. 1a. PURPOSE

The purpose of this act is to further assist the State in achieving the conservation vision and goals for the State established in 10 V.S.A. § 2802 and 24 V.S.A. § 4302. It provides a regulatory framework that supports the vision for Vermont of human and natural community resilience and biodiversity protection in the face of climate change, as described in 2023 Acts and Resolves No. 59. It would strengthen the administration of the Act 250 program by changing the structure, function, and name of the Natural Resources Board. The program updates established in this act would be used to guide State financial investment in human and natural infrastructure.

Second: In Sec. 3, 10 V.S.A. § 6032, in subsection (b), by striking out “July 31” and inserting in lieu thereof “June 30”

Third: In Sec. 8, 10 V.S.A. § 6086(h), in the second sentence, by striking out “and shall be notarized”

Fourth: In Sec. 11, Land Use Review Board appointments; revision authority, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) The Governor shall appoint the members of the Land Use Review Board on or before January 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.

Fifth: In Sec. 11, Land Use Review Board appointments; revision authority, in subsection (b), by striking out “July” and inserting in lieu thereof of “January”

Sixth: In Sec. 19, 10 V.S.A. § 6001(3)(A)(xii), in subdivision (II), after the first sentence by inserting “Routine maintenance and minor repairs of a Class 4 highway shall not constitute an “improvement.” Routine maintenance shall include replacing a culvert or ditch, applying new stone, grading, or making repairs after adverse weather. Routine maintenance shall not include changing the size of the road, changing the location or layout of the road, or adding pavement.”

Seventh: In Sec. 19, 10 V.S.A. § 6001(3)(A)(xii), by striking out subdivision (IV) in its entirety and inserting in lieu thereof a new (IV) to read as follows:

(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;

(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; and

(cc) improvements underway when this section takes effect to a Class 4 highway that will be transferred to the municipality.

Eighth: In Sec. 22, Tier 3 rulemaking, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(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) and (19). 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, and natural communities; 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, including whether and how subdivisions would be covered under the jurisdiction of Tier 3;

(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;

(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); and

(5) if a critical natural resource area is not recommended for protection under Tier 3, it shall be identified in the rule, and a rationale shall be provided as to why the critical resource was not selected for Tier 3 protection.

Ninth: In Sec. 22, Tier 3 rulemaking, in subsection (c) after the first sentence, by adding:

After the Land Use Review Board files the rule with Legislative Committee on Administrative Rules, it shall submit a report describing the rules and the issues reviewed under this section to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy.

Tenth: By striking out Sec. 24, 10 V.S.A. § 6001(3)(D)(viii)(III), in its entirety and inserting in lieu thereof a new Sec. 24 to read as follows:

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~~ January 1, 2027, the construction of a priority housing project located entirely within areas of a designated downtown development district, designated neighborhood development area, or a designated growth center or within one-half mile around such designated center with permanent zoning and subdivision bylaws served by public sewer or water services or soils that are adequate for wastewater disposal. 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.

Eleventh: By striking out Sec. 25, repeals, in its entirety and inserting in lieu thereof a new Sec. 25 to read as follows:

Sec. 25. REPEAL

2023 Acts and Resolves No. 47, Sec. 19c is repealed.

Twelfth: By adding a Sec. 25a to read as follows:

Sec. 25a. 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) and 10 V.S.A. § 6081(dd)~~, a person shall request a jurisdictional opinion under 10 V.S.A. § 6007 on or before ~~June 30~~ December 31, 2026. The jurisdictional opinion shall require the project to substantially complete construction on or before June 30, 2029 in order to remain exempt.

Thirteenth: By striking out Sec. 27, 10 V.S.A. § 6033, in its entirety and inserting in lieu thereof a new Sec. 27 to read as follows:

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 municipality may have multiple noncontiguous areas receive Tier 1B area status. 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 following requirements as included in subdivision 24 V.S.A. § 4348a(a)(12)(C):

- (1) The municipality has requested to have the area mapped for Tier 1B.
- (2) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with 24 V.S.A. § 4350.
- (3) The municipality has adopted permanent zoning and subdivision bylaws in accordance with 24 V.S.A. §§ 4414, 4418, and 4442.
- (4) The area excludes identified flood hazard and fluvial erosion areas, 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 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 subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor).
- (5) The municipality has water supply, wastewater infrastructure, or soils that can accommodate a community system for compact housing development in the area proposed for Tier 1B.
- (6) The municipality has municipal staff or contracted capacity adequate to support development review and zoning administration in the Tier 1B area.

Fourteenth: In Sec. 28, 10 V.S.A. § 6034, in subsection (b), by striking out subdivision (1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

- (1) To obtain a Tier 1A area status under this section, a municipality shall demonstrate to the Board that it has each of the following:
  - (A) A municipal plan that is approved in accordance with 24 V.S.A. § 4350.
  - (B) 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.
  - (C) 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.
  - (D) 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.

(E) The municipality has permanent land development regulations for the Tier 1A area that further the smart growth principles of 24 V.S.A. chapter 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.

(F) 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.

(G) 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.

(H) Public water and wastewater systems have the capacity to support additional development within the Tier 1A area.

(I) Municipal staff adequate to support coordinated comprehensive and capital planning, development review, and zoning administration in the Tier 1A area.

Fifteenth: In Sec. 31, 10 V.S.A. § 6081, by striking out subsection (dd) in its entirety and inserting in lieu thereof a new subsection (dd) to read as follows:

(dd) Interim housing exemptions.

(1) Notwithstanding any other provision of law to the contrary, until January 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 units or fewer, constructed or maintained on a tract or tracts of land, located entirely within the areas of a designated new town center, a designated growth center, or a designated neighborhood development area served by public sewer or water services or soils that are adequate for wastewater disposal. 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 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.

(2)(A) Notwithstanding any other provision of law to the contrary, until January 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 areas of a designated village center and within one-quarter mile of its boundary with permanent zoning and subdivision bylaws and served by public sewer or water services or soils that are adequate for wastewater disposal.

(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 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. For purposes of this subdivision, 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. 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 January 1, 2027, 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 with permanent zoning and subdivision bylaws served by public sewer or water services or soils that are adequate for wastewater disposal. 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 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.

Sixteenth: By striking out Sec. 32, 10 V.S.A. § 6001(50) and (51), in its entirety and inserting in lieu thereof a new Sec. 32 to read as follows:

Sec. 32. 10 V.S.A. § 6001(50) is added to read:

(50) “Accessory dwelling unit” means a distinct unit that is clearly subordinate to a single-family dwelling, is 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 an existing single-family dwelling.

Seventeenth: In Sec. 52, 24 V.S.A. § 4412, in subdivision (1)(D), by striking out the third sentence in its entirety and inserting in lieu thereof the following:

In any district that allows year-round residential development, duplexes shall be an allowed 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.

Eighteenth: In Sec. 52, 24 V.S.A. § 4412, by striking out subdivision (12) in its entirety and inserting in lieu thereof the following:

(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.~~ Density and minimum lot size standards for multiunit dwellings shall not be more restrictive than those required for single-family dwellings.

Nineteenth: By striking out Sec. 57, 24 V.S.A. § 4429, in its entirety and inserting in lieu thereof of the following:

Sec. 57. [Deleted.]

Twentieth: By striking out Sec. 58, 24 V.S.A. § 4464, in its entirety and inserting in lieu thereof the following:

Sec. 58. [Deleted.]

Twenty-first: By striking out Sec. 59, 24 V.S.A. § 4465, in its entirety and inserting in lieu thereof the following:

Sec. 59. [Deleted.]

Twenty-second: By striking out Sec. 68, 32 V.S.A. § 5930aa, in its entirety and inserting in lieu thereof the following:

Sec. 68. [Deleted.]

Twenty-third: By striking out Secs. 73–78 in their entireties and inserting in lieu thereof new Secs. 73–78 to read as follows:

Sec. 73. 32 V.S.A. § 9602 is amended to read:

§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

(a) 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~~ 1.25 percent of the value of the property transferred up to

\$750,000.00 of value and 3.65 percent of the value of the property transferred in excess of \$750,000.00, 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~~ 0.5 percent of the first ~~\$100,000.00~~ \$200,000.00 in value of the property transferred and at the rate of ~~one and one-quarter~~ 1.25 percent of the value of the property transferred in excess of ~~\$100,000.00~~ \$200,000.00; except that no tax shall be imposed on the first ~~\$110,000.00~~ \$250,000.00 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~~ 1.25 percent shall be imposed on the value of that property in excess of ~~\$110,000.00~~ \$250,000.00. In all cases, the tax shall be imposed at the rate of 3.65 percent of the value of the property transferred in excess of \$750,000.00.

(2) [Repealed.]

(3) With respect to the transfer to a housing cooperative organized under 11 V.S.A. chapter 7 and whose sole purpose is to provide principal residences for all of its members or shareholders, or to an affordable housing cooperative under 11 V.S.A. chapter 14, of property to be used as the principal residence of a member or shareholder, the tax shall be imposed in the amount of ~~five-tenths of one~~ 0.5 percent of the first ~~\$100,000.00~~ \$200,000.00 in value of the residence transferred and at the rate of ~~one and one-quarter~~ 1.25 percent of the value of the residence transferred in excess of ~~\$100,000.00~~ \$200,000.00; provided that the homesite leased by the cooperative is used exclusively as the principal residence of a member or shareholder. If the transferee ceases to be an eligible cooperative at any time during the six years following the date of transfer, the transferee shall then become obligated to pay any reduction in property transfer tax provided under this subdivision, and the obligation to pay the additional tax shall also run with the land. In all cases, the tax shall be imposed at the rate of 3.65 percent of the value of the property transferred in excess of \$750,000.00.

(b) Each year on August 1, the Commissioner shall adjust the values taxed at a lower rate under subdivisions (a)(1) and (3) of this section 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 0.1 percent, for the month ending on June 30 in the calendar year one year prior to the first day of the current fiscal year compared to the CPI-U for the month ending on June 30 in the calendar year two years prior. The

Commissioner shall update the return required under section 9610 of this title according to this adjustment.

Sec. 74. 32 V.S.A. § 9602a is amended to read:

§ 9602a. CLEAN WATER SURCHARGE

There shall be a surcharge of ~~0.2~~ 0.22 percent on the value of property subject to the property transfer tax under section 9602 of this title, except that there shall be no surcharge on the first ~~\$100,000.00~~ \$200,000.00 in value of property to be used for the principal residence of the transferee or the first ~~\$200,000.00~~ \$250,000.00 in value of 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. The surcharge shall be in addition to any tax assessed under section 9602 of this title. The surcharge assessed under this section shall be paid, collected, and enforced under this chapter in the same manner as the tax assessed under section 9602 of this title. The Commissioner shall deposit the surcharge collected under this section in the Clean Water Fund under 10 V.S.A. § 1388, except for the first \$1,000,000.00 of revenue generated by the surcharge, which shall be deposited in the Vermont Housing and Conservation Trust Fund created in 10 V.S.A. § 312.

Sec. 75. 2017 Acts and Resolves No. 85, Sec. I.10 is amended to read:

Sec. I.10 32 V.S.A. § 9602a is amended to read:

§ 9602a. CLEAN WATER SURCHARGE

There shall be a surcharge of ~~0.2~~ 0.04 percent on the value of property subject to the property transfer tax under section 9602 of this title, except that there shall be no surcharge on the first ~~\$100,000.00~~ \$200,000.00 in value of property to be used for the principal residence of the transferee or the first ~~\$200,000.00~~ \$250,000.00 in value of 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 which the Vermont Housing and Finance Agency or U.S. Department of Agriculture and Rural Development has committed to make or purchase. The surcharge shall be in addition to any tax assessed under section 9602 of this title. The surcharge assessed under this section shall be paid, collected, and enforced under this chapter in the same manner as the tax assessed under section 9602 of this title. The Commissioner shall deposit the surcharge collected under this section ~~in the Clean Water Fund under 10 V.S.A. § 1388, except for the first \$1,000,000.00 of revenue generated by the surcharge, which shall be deposited~~

in the Vermont Housing and Conservation Trust Fund created in 10 V.S.A. § 312.

Sec. 75a. 32 V.S.A. § 9610(c) is amended to read:

(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~~ 1.5 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.

Sec. 76. 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 ~~17~~ 13 percent of the revenue deposited 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.

\* \* \*

Sec. 77. 32 V.S.A. § 435(b) is 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) ~~33~~ 37 percent of the revenue from the property transfer taxes levied pursuant to chapter 231 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. 78. TRANSFERS; 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) \$6,106,310.00 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.

Twenty-fourth: By striking out Secs. 79–83, property value freeze for new construction and rehabilitation, in their entireties and inserting in lieu thereof new Secs. 79–83 to read as follows:

Sec. 79. [Deleted.]

Sec. 80. [Deleted.]

Sec. 81. [Deleted.]

Sec. 82. [Deleted.]

Sec. 83. [Deleted.]

Twenty-fifth: By adding a new section to be Sec. 83a to read as follows:

Sec. 83a. 32 V.S.A. § 9603 is amended to read:

§ 9603. EXEMPTIONS

(a) The following transfers are exempt from the tax imposed by this chapter:

\* \* \*

(27)(A) Transfers of abandoned 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) “Abandoned” means real estate owned by a municipality and acquired through condemnation or a tax sale, provided the real estate has 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.

(28) Transfers of a new mobile home, as that term is defined in 10 V.S.A. § 6201(1), that:

(A) bears a label evidencing, at a minimum, greater energy efficiency under the ENERGY STAR Program established in 42 U.S.C. § 6294a; or

(B) is certified as a Zero Energy Ready Home by the U.S. Department of Energy.

(b) The following transfers shall not pay a rate higher than 1.25 percent of the value of the property transferred:

(1) Transfers of property that are enrolled in the Use Value Appraisal Program pursuant to chapter 124 of this title, and will continue to be enrolled after transfer, provided:

(A) at least 25 acres are enrolled as agricultural land, as defined in subdivision 3752(1)(A) of this title; and

(B) the transferee is a farmer, as defined in subdivision 3752(7) of this title.

Twenty-sixth: By adding a reader assistance heading and three new sections to be Secs. 94–96 to read as follows:

\* \* \* Eviction Prevention Initiatives \* \* \*

Sec. 94. 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. 95. 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. 96. 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.

Twenty-seventh: By striking out Secs. 102–104 in their entireties and inserting in lieu thereof new Secs. 102–104 to read as follows:

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 the buyer with the following information:

(1) whether the real property is located in a Federal Emergency Management Agency mapped special flood hazard area;

(2) whether the real property is located in a Federal Emergency Management Agency mapped moderate flood hazard area;

(3) whether the real property was subject to flooding or flood damage while the seller possessed the property, including flood damage from inundation or from flood-related erosion or landslide damage; and

(4) whether the seller maintains flood insurance on the real property.

(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 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; MODEL FORM

(a) 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 special flood hazard area. This notice shall be provided to the tenant at or before execution of the lease in a separate written document substantially in the form prescribed by the Department of Housing and Community Development pursuant to subsection (b) of this section.

(b) The Department of Housing and Community Development shall develop a model form for the notice provided under this section that shall include the information required under subsection (a) of this section.

Sec. 104. 10 V.S.A. § 6236(e) is amended to read:

(e) All mobile home lot leases shall contain the following:

\* \* \*

(8)(A) 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 substantially in the form prescribed by the Department of Housing and Community Development pursuant to subdivision (B) of this subdivision (8) and attached as an addendum to the proposed lease.

(B) The Department of Housing and Community Development shall develop a model form for the notice provided under this section that shall include the information required under subdivision (A) of this subdivision (8).

Twenty-Eighth: By adding a new section to be Sec. 105a to read as follows:

Sec. 105a. 9 V.S.A. § 2602 is amended to read:

§ 2602. SALE OR TRANSFER; PRICE DISCLOSURE; MOBILE HOME  
UNIFORM BILL OF SALE

(a) Appraisal; disclosure. When a mobile home is sold or offered for sale:

(1) If a mobile home is appraised, the appraisal shall include a cover sheet that itemizes the value of the unsited mobile home, the value of any adjacent or attached structures located on the site and the value of the sited location, if applicable, and valuations of sales of comparable properties.

(2) In the case of a new mobile home, the seller shall provide to a prospective buyer a written disclosure that states the retail price of the unsited mobile home, any applicable taxes, the set-up and transportation costs, and the value of the sited location, if applicable.

(3) In the case of a mobile home as defined in 10 V.S.A. § 6201, the seller shall provide to a prospective buyer a written disclosure of any flooding history or flood damage to the mobile home known to the seller, including flood damage from inundation or from flood-related erosion or landslide damage.

(4) A legible copy of the disclosure required in subdivision (2) of this subsection shall be prominently displayed on a new mobile home in a location that is clearly visible to a prospective buyer from the exterior.

\* \* \*

Twenty-ninth: By striking out Sec. 111, land bank report, in its entirety and inserting in lieu thereof a new Sec. 111 to read as follows:

Sec. 111. [Deleted.]

Thirtieth: In Sec. 113, landlord-tenant law; Study Committee; report, by striking out subsection (h) in its entirety and inserting in lieu thereof a new subsection (h) to read as follows:

(h) Appropriation. The sum of \$7,700.00 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.

Thirty-first: By striking out Secs. 113a, long-term affordable housing; Study Committee; report, and 113b, appropriation; Natural Resources Board, and its reader assistance heading in their entirety and inserting in lieu thereof new Secs. 113a–113b and a reader assistance heading to read as follows:

Sec. 113a. [Deleted.]

\* \* \* Natural Resources Board Appropriation \* \* \*

Sec. 113b. APPROPRIATION; NATURAL RESOURCES BOARD

The sum of \$1,300,000.00 is appropriated from the General Fund to the Natural Resources Board in fiscal year 2025.

Thirty-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 21 (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) Secs. 73 (property transfer tax rates) and 83a (property transfer tax exemptions) shall take effect on August 1, 2024; and

(4) Sec. 98 (landlord certificate data collection) shall take effect on July 1, 2025.

and that after passage the title of the bill remain:

“An act relating to community resilience and biodiversity protection through land use.”

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, Senators Bray, Cummings, Ram Hinsdale, Chittenden, Clarkson, Harrison, McCormack, Watson and White moved that the Senate concur in the House proposal of amendment to the Senate proposal of amendment with further proposals of amendment as follows:

First: In Sec. 22, Tier 3 rulemaking, in subsection (a), after “be added to the definition;” by inserting measures to ensure that no municipality or region is disproportionately impacted by Tier 3 designation that would limit reasonable opportunities for Tier 1 or Tier 2 designations;

Second: By striking out Sec. 25a, 2023 Acts and Resolves No. 47, Sec. 16a, in its entirety.

Third: In Sec. 27, 10 V.S.A. § 6033, in subdivision (c)(6), after “municipal staff” by inserting , municipal officials,

Fourth: In Sec. 28, 10 V.S.A. § 6034, in subdivision (b)(1), by striking out subdivision (H) in its entirety and inserting in lieu thereof a new subdivision (H) to read as follows:

(H) Public water and wastewater systems or planned improvements have the capacity to support additional development within the Tier 1A area.

Fifth: By striking out Sec. 29, Tier 1A area guidelines, in its entirety and inserting in lieu thereof a new Sec. 29 to read as follows:

#### 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. The guidelines shall include how a municipality shall demonstrate that improvements are planned for a public water or wastewater system and at what stage in the process the improvements need to be to provide a reasonable expectation of completion.

Sixth: In Sec. 31, 10 V.S.A. § 6081(dd), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(2)(A) 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:

(i) areas of a designated village center and within one-quarter mile of its boundary with permanent zoning and subdivision bylaws and served by public sewer or water services or soils that are adequate for wastewater disposal; 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 (2) shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains 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. 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.

Seventh: By striking out Sec. 32, 10 V.S.A. § 6001(50), in its entirety and inserting in lieu thereof a new Sec. 32 to read as follows:

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.

Eighth: By adding a new section to be Sec. 58 to read as follows:

Sec. 58. 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) Within 120 days of an application being deemed complete, the appropriate municipal panel shall notice and warn a hearing on the application. 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 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. 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.

\* \* \*

Ninth: By adding a new section to be Sec. 59 to read as follows:

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~~ 20 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.

\* \* \*

Tenth: By adding a new section to be Sec. 111 to read as follows:

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.

Eleventh: By striking out Sec. 73, 32 V.S.A. § 9602, in its entirety and inserting lieu thereof the following:

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~~ \$200,000.00 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~~ \$200,000.00; except that no tax shall be imposed on the first ~~\$110,000.00~~ \$250,000.00 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~~ \$250,000.00.

(2) [Repealed.]

(3) With respect to the transfer to a housing cooperative organized under 11 V.S.A. chapter 7 and whose sole purpose is to provide principal residences for all of its members or shareholders, or to an affordable housing cooperative under 11 V.S.A. chapter 14, of property to be used as the principal residence of a member or shareholder, the tax shall be imposed in the amount of ~~five-tenths of one~~ 0.5 percent of the first ~~\$100,000.00~~ \$200,000.00 in value of the residence transferred and at the rate of ~~one and one-quarter~~ 1.25 percent of the value of the residence transferred in excess of ~~\$100,000.00~~ \$200,000.00; provided that the homesite leased by the cooperative is used exclusively as the principal residence of a member or shareholder. If the transferee ceases to be an eligible cooperative at any time during the six years following the date of transfer, the transferee shall then become obligated to pay any reduction in property transfer tax provided under this subdivision, and the obligation to pay the additional tax shall also run with the land.

(4) Tax shall be imposed at the rate of 3.4 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.

Twelfth: By striking out Sec. 78, transfers; property transfer tax, in its entirety and inserting in lieu thereof the following:

Sec. 78. TRANSFERS; 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) \$6,106,335.00 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.

Thirteenth: By striking out Sec. 83a, 32 V.S.A. § 9603, in its entirety and inserting in lieu thereof the following:



Sec. 83a. 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 abandoned 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) “Abandoned” means real estate owned by a municipality and acquired through condemnation or a tax sale, provided the real estate has 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.

(28) Transfers of a new mobile home, as that term is defined in 10 V.S.A. § 6201(1), that:

(A) bears a label evidencing, at a minimum, greater energy efficiency under the ENERGY STAR Program established in 42 U.S.C. § 6294a; or

(B) is certified as a Zero Energy Ready Home by the U.S. Department of Energy.

Fourteenth: By striking out Secs.79–83 in their entirety and inserting in lieu thereof the following:

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 one-half mile of 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 outside a tax increment financing district established under 24 V.S.A. chapter 53, subchapter 5. By vote of the legislative body, a municipality with a tax increment financing district, or a municipality applying for a tax increment financing district, may elect to deem properties within a tax increment financing district as “qualifying property” under this subdivision (C), 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.

(i) For a municipality that elects to consider properties within an existing tax increment financing district under this subdivision (C) as “qualifying property,” the municipality shall submit a substantial change request and file an alternate financial plan to the Vermont Economic Progress Council, which shall detail the effect of this action for approval by the Council.

(ii) For a municipality that elects to consider properties within a tax increment financing district under this subdivision (C) as “qualifying property” at the time of creation of a new district, prior to implementation of an

exemption under this chapter, the municipality shall present a financial plan to the Vermont Economic Progress Council, which shall detail the impact of the action on approval by the Council.

(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.~~

Fifteenth: By striking out Sec. 114, effective dates, in its entirety and inserting in lieu thereof the following:

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 21 (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) Secs. 73 (property transfer tax rates) and 83a (property transfer tax exemptions) shall take effect on August 1, 2024;

(4) Sec. 83 (grand list contents, 32 V.S.A. § 4152(a)) shall take effect on July 1, 2037; and

(5) Sec. 98 (landlord certificate data collection) shall take effect on July 1, 2025.

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

### **Appointments Confirmed**

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator Hardy, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

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

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

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

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

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

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

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

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

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

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

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



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

Russell, John of Rutland - Member of Vermont Economic Progress Council - April 3, 2023 to March 31, 2027.

Stewart, James B. of Pittsford - Member of the Vermont Economic Progress Council - March 6, 2023 to March 31, 2023.

Stewart, James B. of Pittsford - Member of Vermont Economic Progress Council - April 3, 2023 to March 31, 2027.

### **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

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

Was confirmed by the Senate on a roll call, Yeas 28, 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, 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.

**The Senator who voted in the negative was:** Brock.

### **The President Resumes the Chair**

The nomination of

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

Was confirmed by the Senate on a roll call, Yeas 28, Nays 1.

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, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Watson, Weeks, Westman, White, Williams, Wrenner.

**The Senator who voted in the negative was:** Vyhovsky.

The nomination of

Hulburd, Julie of Colchester - Member of the Cannabis Control Board - November 1, 2023 to February 28, 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, 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.

#### **Rules Suspended; Action Messaged**

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

**S. 55, S. 114, S. 183, S. 254, S. 259, S. 302, S. 305.**

#### **Rules Suspended; Bills Messaged**

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

**S. 195, H. 622, H. 655, H. 687, H. 876, H. 878, H. 885.**

#### **Recess**

On motion of Senator Baruth the Senate recessed until 5:00 P.M.

#### **Called to Order**

The Senate was called to order by the President.

#### **Message from the House No. 78**

A message was received from the House of Representatives by Ms. 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 proposal of amendment to Senate bill of the following title:

**S. 192.** An act relating to forensic facility admissions criteria and processes.

And has concurred therein.

**Rules Suspended; Immediate Consideration; House Proposal of  
Amendment Concurred In**

**S. 220.**

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

An act relating to Vermont's public libraries.

Was taken up for immediate consideration.

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

\* \* \* 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 library material selection policy and procedures for the reconsideration and retention of library materials that complies with the First Amendment to the U.S. Constitution, the Civil Rights Act of 1964, State laws prohibiting discrimination in places of public accommodation, and that reflect Vermont's diverse people and history, including diversity of race, ethnicity, sex, gender identity, sexual orientation, disability status, religion, and political beliefs. 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~~ independent 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 ~~fewer~~ 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 for consideration by the legislative body of the municipality for inclusion in the municipality's 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, unless the employee relationship is otherwise specified in the municipality's charter or by written agreement between the legislative body of the municipality and the 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, library materials selection, and other relevant topics, as well as procedures for the reconsideration and retention of library materials, to ensure compliance with the First Amendment to the U.S. Constitution, the Civil Rights Act of 1964, and Vermont laws prohibiting discrimination in places of public accommodation.

(10) Shall adopt a material selection policy and procedures for reconsideration and retention that reflect 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.

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\* \* \* 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 and retention 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 Civil Rights Act of 1964, Vermont laws prohibiting discrimination in places of public accommodation, the American Library Association's Freedom to Read Statement, Vermont's Freedom to Read Statement, and reflect Vermont's diverse people and history, including diversity of race, ethnicity, sex, gender identity, sexual orientation, disability status, religion, and political beliefs.

(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.

\* \* \* Effective Dates \* \* \*

Sec. 8. EFFECTIVE DATES

(a) Secs. 2 (22 V.S.A. § 69; public libraries; selection and reconsideration of library materials) and 7a (16 V.S.A. § 1624; school library material selection policy) shall take effect on July 1, 2025.

(b) Sec. 7 (22 V.S.A. § 606; Dept. of Libraries; other duties and functions) shall take effect on January 1, 2025.

(c) This section and all other sections of this act shall take effect on July 1, 2024.

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

**Rules Suspended; Proposals of Amendment; Third Reading Ordered;  
Rules Suspended; Bill Passed in Concurrence with Proposals of  
Amendment**

**H. 870.**

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

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

Was taken up for immediate consideration.

Senator Watson, for the Committee on Government Operations, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill as follows:

First: By adding a reader assistance heading and a new section to be Sec. 1a to read as follows:

\* \* \* Background Checks for Psychologists \* \* \*

Sec. 1a. 3 V.S.A. § 123 be 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) individuals registered on the roster of psychotherapists who are nonlicensed and noncertified; and

(K) psychologists licensed under 26 V.S.A. chapter 55.

\* \* \*

Second: By adding reader assistance headings and three new sections to be Secs. 2a–2c to read as follows:

\* \* \* Naturopathic Physicians Filing of Birth and Death Certificates \* \* \*

Sec. 2a. 18 V.S.A. § 4999 is amended to read:

§ 4999. DEFINITIONS

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

\* \* \*

(2) “Licensed health care professional<sup>2</sup>,” as used in 18 V.S.A. Ch. 107, means a physician, a physician assistant, a naturopathic physician, or an advanced practice registered nurse.

\* \* \*

Sec 2b. 18 V.S.A. § 5071 is amended to read:

§ 5071. BIRTH CERTIFICATES; WHO TO MAKE; RETURN

(a) On or before the fifth business day of each live birth that occurs in this State, the attending physician or designee, naturopathic physician or designee, or midwife or, if no attending physician or designee, naturopathic physician or designee, or midwife is present, a parent of the child or a legal guardian of a mother under 18 years of age shall file with the State Registrar a report of birth in the form and manner prescribed by the State Registrar. The State Registrar shall register the report in the Statewide Registration System if it has been completed properly and filed in accordance with this chapter. The portion of the registered birth report that is not confidential under section 5014 of this title is the birth certificate.

\* \* \*

\* \* \* Naturopathic Physicians Filing Technical Advisory Group \* \* \*

Sec 2c. NATUROPATHIC PHYSICIANS TECHNICAL ADVISORY GROUP

(a) On or before September 1, 2024, the Commissioner of the Vermont Department of Health or designee shall convene the first meeting of the Naturopathic Physicians Technical Advisory Group. The Technical Advisory Group shall discuss the potential integration of naturopathic physicians into statewide policies regarding Vermont's Patient Choice at End of Life laws (18 V.S.A. chapter 113), do not resuscitate (DNR) orders and advanced directives, and the creation of clinician orders for life-sustaining treatment (COLST). The Technical Advisory Group shall also consider the requirements of integrating naturopathic physicians into statewide policies.

(b) The Commissioner of the Vermont Department of Health or designee shall chair any meeting or meetings described in this section.

(c) The following individuals and entities shall be invited to participate in the meeting or meetings described in this section:

- (1) the Association of Accredited Naturopathic Medical Colleges;
- (2) the Office of Professional Regulation;
- (3) Patient Choices Vermont;
- (4) the Vermont Association of Naturopathic Physicians;
- (5) the Vermont Ethics Network;
- (6) the Vermont Medical Society; and
- (7) other entities as needed related to naturopathic medical education.

(d) The Commissioner of the Department of Health shall provide recommendations based on the work of the Technical Advisory Group on or before December 1, 2024, 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.

(e) The Technical Advisory Group shall cease to exist on December 31, 2024.

Third: By adding a reader assistance heading and a new section to be Sec. 18a to read as follows:

\* \* \* Office of Professional Regulation Funding Structure Study \* \* \*

Sec. 18a. OFFICE OF PROFESSIONAL REGULATION; FUNDING  
STRUCTURE STUDY

The Office of Professional Regulation, in consultation with the Joint Fiscal Office, shall conduct a study reviewing the funding structure of the Office of Professional Regulation. The Office of Professional Regulation shall report to the House Committee on Government Operations and Military Affairs and the

Senate Committee on Government Operations by January 1, 2025 with an assessment of the benefits and challenges of the current funding model for the Office of Professional Regulation, as established in 3 V.S.A. § 124, and with any recommendations for alternative models for funding the Office of Professional Regulation.

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

Senator Chittenden, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committee on Government Operations.

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

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

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

**Rules Suspended; Immediate Consideration, House Proposal of Amendment Concurred In**

**S. 253.**

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

An act relating to building energy codes.

Was taken up for immediate consideration.

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

First: In Sec. 2, energy code compliance; working group, by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(d) Assistance. The Working Group shall have the administrative and technical assistance of the Department of Public Service. The Working Group shall have the legal assistance of the Department of Public Service as to matters of procedure, the Working Group's powers and duties, existing State programs, existing legal requirements or obligations, and the drafting of proposed legislation. 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.

Second: In Sec. 2, energy code compliance; working group, by striking out subsection (e) in its entirety and inserting in lieu thereof the a new subsection (e) to read as follows:

(e) Report. On or before November 15, 2024 and November 15, 2025, 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.

Third: In Sec. 2, energy code compliance; working group, in subdivision (f)(4), by striking out “February 15, 2030” and inserting in lieu thereof “July 1, 2026”

Fourth: By striking out Sec. 5, residential building contractor registry; website updates, in its entirety and inserting in lieu thereof the a new Sec. 5 to read as follows:

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 ask a registrant to provide the following data:

(1) the geographic areas the registrant serves; and

(2) the trade services the registrant offers from a list of trade services compiled by the Office.

(b) 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 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.

(c) 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”; and

(2) add a clear and conspicuous notice that a residential contractor is required by law to comply with State building energy standards.

Fifth: By striking out Sec. 6, residential building contractor contract templates, in its entirety and inserting in lieu thereof the a new Sec. 6 to read as follows:

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 include a statement acknowledging that the project is required to comply with 30 V.S.A. § 51 (residential building energy standards).

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

**Rules Suspended; Report of Committee of Conference Accepted and  
Adopted on the Part of the Senate**

**H. 563.**

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

An act relating to criminal motor vehicle offenses involving unlawful trespass, theft, or unauthorized operation.

Was taken up for immediate consideration.

Senator Hashim, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses 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. 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. 23 V.S.A. § 1094 is amended to read:

§ 1094. OPERATION WITHOUT CONSENT OF OWNER;  
AGGRAVATED OPERATION WITHOUT CONSENT OF OWNER

(a) A person commits the crime of operation without consent of the owner if:

(1) the person takes, obtains, operates, uses, or continues to operate the motor vehicle of another when the person should have known that the person did not have the consent of the owner to do so; or

(2) the person, without the consent of the owner, knowingly takes, obtains, operates, uses, or continues to operate the motor vehicle of another when the person knows that the person did not have the consent of the owner to do so.

\* \* \*

(c) A person convicted under subdivision (a)(1) of this section shall be fined not more than \$500.00. A person convicted under ~~subsection subdivision~~ subdivision (a)(2) of this section ~~of operation without consent of the owner~~ shall be imprisoned not more than two years or fined not more than \$1,000.00, or both.

\* \* \*

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 unlawful trespass in a motor vehicle and unauthorized operation of a motor vehicle without the owner’s consent.”

*NADER A. HASHIM  
ROBERT W. NORRIS  
TANYA C. VYHOVSKY*

*Committee on the part of the Senate*

*THOMAS B. BURDITT  
KAREN DOLAN  
ANGELA ARSENAULT*

*Committee on the part of the House*

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

**Rules Suspended; Immediate Consideration; House Proposal of Amendment to Senate Proposal of Amendment Concurred In**

**H. 780.**

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

An act relating to judicial nominations and appointments.

Was taken up for immediate consideration.

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

By striking out Sec. 1 (Legislative Intent) in its entirety and by renumbering the remaining sections to be numerically correct.

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

**Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate**

**H. 546.**

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

An act relating to administrative and policy changes to tax laws.

Was taken up for immediate consideration.

Senator Cummings, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses reports that it has met and considered the same and recommends that the Senate recede from its proposals of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* 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.

\* \* \*

\* \* \* 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.

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.

Sec. 14a. REPORT; ATV REGISTRATIONS

On or before December 15, 2025, the Commissioner of Motor Vehicles shall report on any changes to the number of all-terrain vehicle (ATV) registrations in calendar year 2025, any changes to revenue from ATV registrations in Vermont, any changes to funding to support the VASA trail system, and whether the Commissioner has suggestions for restoring revenue from ATV registrations. The Commissioner shall consult with the Vermont ATV Sportsman's Association in preparing this report. The report shall be submitted to the House Committee on Ways and Means, the House Committee on Transportation, the Senate Committee on Finance, and the Senate Committee on Transportation.

\* \* \* 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.

\* \* \* 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. § 593011(a) of this act, the subchapter shall be repealed effective January 1, 2015.~~

Sec. 18. [Deleted.]

Sec. 19. [Deleted.]

\* \* \* 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~~ Except as provided in subsection (h) of this section, and subject to certification by the Commissioner of Taxes, 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.

\* \* \*

(h)(1) The Commissioner of Taxes may limit the number of municipalities enacting a local option tax under subsection (b) of this section to five per calendar year.

(2) The Commissioner of Taxes shall certify the first five notices from municipalities it receives under subsection (a) of this section in each calendar year and those municipalities may proceed to assess a local option tax according to subsection (a) of this section.

(3) In the Commissioner's discretion, after receiving notice from the fifth municipality pursuant to subsection (a) of this section in a calendar year, the Commissioner of Taxes may delay certification, or reject further notices for that year, if the Commissioner determines that additional certifications would cause an undue burden on tax administration.

\* \* \* 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) and 14a (report on ATV registrations) shall take effect on January 1, 2025.

(g) Secs. 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.

(h) Secs. 12a and 12b (sales tax exemption; advanced wood boilers) shall take effect on June 30, 2024.

*ANN E. CUMMINGS*

*MARK A. MACDONALD*

*THOMAS I. CHITTENDEN*

*Committee on the part of the Senate*

*EMILIE K. KORNHEISER*

*CARL DEMROW*

*JULIA ANDREWS*

*Committee on the part of the House*

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

**Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate**

**H. 534.**

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

An act relating to retail theft.

Was taken up for immediate consideration.

Senator Baruth, 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 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. 13 V.S.A. § 2575 is amended to read:

§ 2575. OFFENSE OF RETAIL THEFT

A person commits the offense of retail theft when the person, with intent of depriving a merchant wrongfully of the lawful possession of merchandise, money, or credit:

(1) takes and carries away or causes to be taken and carried away or aids and abets the carrying away of, any merchandise from a retail mercantile establishment without paying the retail value of the merchandise; or

\* \* \*

Sec. 2. 13 V.S.A. § 2577 is amended to read:

§ 2577. PENALTY

(a) A person convicted of the offense of retail theft of merchandise having a retail value not in excess of ~~\$900.00~~ \$250.00 shall be punished by a fine of not more than \$500.00 or imprisonment for not more than ~~six months~~ 30 days, or both.

(b) A person convicted of the offense of retail theft of merchandise having a retail value in excess of \$250.00 and not in excess of \$900 shall:

(1) for a first offense, be punished by a fine of not more than \$500.00 or imprisonment for not more than six months, or both;

(2) for a second offense, be punished by a fine of not more than \$1,000.00 or imprisonment for not more than two years, if the second offense occurs not more than two years after the first offense;

(3) for a third offense, be punished by a fine of not more than \$1,500.00 or imprisonment for not more than three years, or both, if the third offense occurs not more than two years after the second offense; or

(4) for a fourth or subsequent offense, be punished by a fine of not more than \$2,500.00 or imprisonment for not more than 10 years, or both, if the fourth or subsequent offense occurs not more than two years after the immediately preceding offense.

(c) A person convicted of the offense of retail theft of merchandise having a retail value in excess of \$900.00 shall be punished by a fine of not more than \$1,000.00 or imprisonment for not more than 10 years, or both.

(d) Notwithstanding the provisions of subsections (a) and (b) of this section, a person convicted of retail theft pursuant to:

(1) Subdivision 2575(4) of this title shall be imprisoned not more than two years or fined not more than \$1,000.00, or both.

(2) Subdivision 2575(5), (6), or (7) of this title shall be imprisoned for not more than 10 years or fined not more than \$5,000.00, or both.

### Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

*PHILIP E. BARUTH  
RICHARD W. SEARS  
ROBERT W. NORRIS*

*Committee on the part of the Senate*

*WILLIAM J. NOTTE  
THOMAS B. BURDITT  
KAREN DOLAN*

*Committee on the part of the House*

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

### **Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate**

#### **H. 882.**

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

An act relating to capital construction and State bonding budget adjustment.

Was taken up for immediate consideration.

Senator Ingalls, 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 reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Legislative Intent \* \* \*

Sec. 1. 2023 Acts and Resolves No. 69, Sec. 1 is amended to read:

## Sec. 1. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly that of the ~~\$122,767,376.00~~ \$130,606,224.00 authorized in this act, not more than ~~\$56,520,325.00~~ \$56,245,325.00 shall be appropriated in the first year of the biennium, and the remainder shall be appropriated in the second year.

(b) It is the intent of the General Assembly that in the second year of the biennium, any amendments to the appropriations or authorities granted in this act shall take the form of the Capital Construction and State Bonding Adjustment Bill. It is the intent of the General Assembly that unless otherwise indicated, all appropriations in this act are subject to capital budget adjustment.

\* \* \* Capital Appropriations \* \* \*

Sec. 2. 2023 Acts and Resolves No. 69, Sec. 2 is amended to read:

## Sec. 2. STATE BUILDINGS

\* \* \*

(b) The following sums are appropriated in FY 2024:

\* \* \*

(7) ~~Montpelier, State House, replacement of historic finishes:~~  
\$50,000.00

\* \* \*

(c) The following sums are appropriated in FY 2025:

(1) Statewide, major maintenance: \$8,500,000.00 \$8,501,999.00

\* \* \*

(3) Statewide, planning, reuse, and contingency:  
\$425,000.00 \$455,000.00

(4) Middlesex, Middlesex Therapeutic Community Residence, master plan, design, and decommissioning: \$400,000.00 \$50,000.00

(5) ~~Montpelier, State House, replacement of historic finishes:~~  
\$50,000.00 [Repealed.]

\* \* \*

(11) Statewide, R22 refrigerant phase out:  
\$1,000,000.00 \$750,000.00

(12) Statewide, Art in State Buildings Program: \$75,000.00

(13) St. Albans, Northwest State Correctional Facility, roof replacement:

\$400,000.00

(14) Windsor, former Southeast State Correctional Facility, evaluation of potential future State use and potential to deactivate or winterize buildings:

\$100,000.00

\* \* \*

Appropriation – FY 2024 \$23,126,244.00 \$23,076,244.00

Appropriation – FY 2025 \$25,275,000.00 \$25,231,999.00

Total Appropriation – Section 2 \$48,401,244.00 \$48,308,243.00

Sec. 3. 2023 Acts and Resolves No. 69, Sec. 3 is amended to read:

Sec. 3. HUMAN SERVICES

\* \* \*

(b) The following sums are appropriated in FY 2025 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:

(1) Northwest State Correctional Facility, booking expansion, planning, design, and construction: \$2,500,000.00 \$2,600,000.00

\* \* \*

(3) Statewide, correctional facilities, HVAC systems, planning, design, and construction for upgrades and replacements:

\$700,000.00 \$5,150,000.00

(4) Statewide, correctional facilities, accessibility upgrades:

\$822,000.00

(5) South Burlington, justice-involved men, feasibility study for reentry facility:

\$125,000.00

(6) Essex; River Valley Therapeutic Residence; facility requirements review and construction of improvements:

\$50,000.00

\* \* \*

Appropriation – FY 2024 \$1,800,000.00

Appropriation – FY 2025 \$16,200,000.00 \$21,747,000.00

Total Appropriation – Section 3 \$18,000,000.00 \$23,547,000.00

Sec. 4. 2023 Acts and Resolves No. 69, Sec. 4 is amended to read:

Sec. 4. COMMERCE AND COMMUNITY DEVELOPMENT

\* \* \*

(b) The following sums are appropriated in FY 2025 to the Agency of Commerce and Community Development for the following projects described in this subsection:

(1) Major maintenance at statewide historic sites:

\$500,000.00 \$700,000.00

\* \* \*

Appropriation – FY 2024 \$596,000.00

Appropriation – FY 2025 \$596,000.00 \$796,000.00

Total Appropriation – Section 4 \$1,192,000.00 \$1,392,000.00

Sec. 5. 2023 Acts and Resolves No. 69, Sec. 9 is amended to read:

Sec. 9. NATURAL RESOURCES

(a) The following sums are appropriated in FY 2024 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:

\* \* \*

(2) Dam safety and hydrology projects: \$500,000.00 \$275,000.00

\* \* \*

(f) The following amounts are appropriated in FY 2025 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:

(1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure, and improvements to buildings, including conservation camps:

\$1,344,150.00 \$2,114,000.00

\* \* \*

Appropriation – FY 2024 \$6,997,081.00 \$6,772,081.00

Appropriation – FY 2025 \$7,497,051.00 \$8,266,901.00

Total Appropriation – Section 9 \$14,494,132.00 \$15,038,982.00

Sec. 6. 2023 Acts and Resolves No. 69, Sec. 10 is amended to read:

Sec. 10. CLEAN WATER INITIATIVES

\* \* \*

~~(e) The sum of \$6,000,000.00 is appropriated in FY 2025 to the Agency of Natural Resources for the Department of Environmental Conservation for clean water implementation projects. [Repealed.]~~

\* \* \*

(g) The sum of \$550,000.00 is appropriated in FY 2025 to the Agency of Agriculture, Food and Markets for water quality grants and contracts.

(h) The following sums are appropriated in FY 2025 to the Agency of Natural Resources for the following projects:

(1) the Clean Water State/EPA Revolving Loan Fund (CWSRF) match for the Water Pollution Control Fund: \$1,600,000.00

(2) municipal pollution control grants: \$3,300,000.00

(i) The sum of \$550,000.00 is appropriated in FY 2025 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for forestry access roads, recreation access roads, and water quality improvements.

(j) In FY 2024 and FY 2025, any agency that receives funding from this section shall consult with the State Treasurer to ensure that the projects are capital eligible.

Appropriation – FY 2024	\$9,885,000.00
Appropriation – FY 2025	\$6,000,000.00
Total Appropriation – Section 10	\$15,885,000.00

Sec. 7. 2023 Acts and Resolves No. 69, Sec. 15a is added to read:

Sec. 15a. DEPARTMENT OF LABOR

The sum of \$1,540,000.00 is appropriated in FY 2025 to the Department of Buildings and General Services for the Department of Labor for upgrades of mechanical systems and HVAC, life safety needs, and minor interior renovations at 5 Green Mountain Drive in Montpelier.

Sec. 8. 2023 Acts and Resolves No. 69, Sec. 15b is added to read:

Sec. 15b. SERGEANT AT ARMS

The sum of \$100,000.00 is appropriated in FY 2025 to the Sergeant at Arms for the replacement of State House cafeteria furnishings.

\* \* \* Funding \* \* \*

Sec. 9. 2023 Acts and Resolves No. 69, Sec. 16 is amended to read:

Sec. 16. REALLOCATION OF FUNDS; TRANSFER OF FUNDS



(a) The following sums are reallocated to the Department of Buildings and General Services from prior capital appropriations to defray expenditures authorized in Sec. 2 of this act:

\* \* \*

(5) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b) (various projects): \$65,463.17 \$147,206.37

\* \* \*

(7) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 1(c)(5) (major maintenance): \$93,549.00 \$116,671.15

\* \* \*

(10) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2(c) (various projects): \$24,363.06 \$476,725.66

\* \* \*

(13) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 2(b)(3) (major maintenance): \$32,780.00 \$439,889.66

\* \* \*

(17) of the amount appropriated in 2012 Acts and Resolves No. 40, Sec. 2(b)(4) (Statewide, major maintenance): \$9,606.45

(18) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 2(b)(4) (Statewide, major maintenance): \$7,207.90

(19) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2(b)(5) (Montpelier, State House, Dome, Drum, and Ceres, design, permitting, construction, restoration, renovation, and lighting): \$38,525.00

(20) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 11(b)(4) (municipal pollution control grants, pollution control projects and planning advances for feasibility studies, new projects): \$4,498.17

(21) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 11(f)(2) (EcoSystem restoration and protection): \$4,298.22

(22) of the amount appropriated in 2018 Acts and Resolves No. 190, Sec. 8(m) (Downtown Transportation Fund pilot project): \$9,150.00

(23) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 2(b)(9) (Newport, Northeast State Correctional Facility, direct digital HVAC control system replacement): \$26,951.52

(24) of the amount appropriated in 2021 Acts and Resolves No. 50, Sec. 2(b)(20), as added by 2022 Acts and Resolves No. 180, Sec. 2 (Windsor, former Southeast State Correctional Facility, necessary demolition, salvage, dismantling, and improvements to facilitate future use of the facility):

\$378,180.00

\* \* \*

(h) From prior year bond issuance cost estimates allocated to the entities to which funds were appropriated and for which bonding was required as the source of funds, pursuant to 32 V.S.A. § 954, \$1,148,251.79 is reallocated to defray expenditures authorized by this act.

Total Reallocations and Transfers – Section 16 ~~\$14,767,376.32~~ \$17,358,383.85

Sec. 10. 2023 Acts and Resolves No. 69, Sec. 17 is amended to read:

Sec. 17. GENERAL OBLIGATION BONDS AND APPROPRIATIONS

(a) The State Treasurer is authorized to issue general obligation bonds in the amount of \$108,000,000.00 for the purpose of funding the appropriations made in Secs. 2–15b of this act. The State Treasurer, with the approval of the Governor, shall determine the appropriate form and maturity of the bonds authorized by this section consistent with the underlying nature of the appropriation to be funded. ~~The State Treasurer shall allocate the estimated cost of bond issuance or issuances to the entities to which funds are appropriated pursuant to this section and for which bonding is required as the source of funds, pursuant to 32 V.S.A. § 954.~~

(b) The State Treasurer is authorized to issue additional general obligation bonds in the amount of \$5,247,838.90 that were previously appropriated but unissued under 2023 Acts and Resolves No. 69 for the purposes of funding the appropriations in this act.

Total Revenues – Section 17 ~~\$108,000,000.00~~ \$113,247,838.90

Sec. 11. 2023 Acts and Resolves No. 69, Sec. 18 is amended to read:

Sec. 18. FY 2024 AND 2025; CAPITAL PROJECTS; FY 2024  
APPROPRIATIONS ACT; INTENT; AUTHORIZATIONS

\* \* \*

(c) Authorizations. In FY 2024, spending authority for the following capital projects are authorized as follows:

---

\* \* \*

(7) ~~the Department of Buildings and General Services is authorized to spend \$600,000.00 for planning for the boiler replacement at the Northern State Correctional Facility in Newport; [Repealed.]~~

\* \* \*

(9) ~~the Department of Buildings and General Services is authorized to spend \$600,000.00 for the Agency of Human Services for the planning and design of the booking expansion at the Northwest State Correctional Facility; [Repealed.]~~

(10) the Department of Buildings and General Services is authorized to spend ~~\$1,000,000.00~~ \$750,000.00 for the Agency of Human Services for the planning and design of the Department for Children and Families' short-term stabilization facility;

(11) the Department of Buildings and General Services is authorized to spend \$750,000.00 for the Judiciary for design, renovations, and land acquisition at the Washington County Superior Courthouse in Barre;

\* \* \*

(16) the Vermont State Colleges is authorized to spend ~~\$7,500,000.00~~ \$6,500,000.00 for construction, renovation, and major maintenance at any facility owned or operated in the State by the Vermont State Colleges; infrastructure transformation planning; and the planning, design, and construction of Green Hall and Vail Hall;

\* \* \*

(19) the Agency of Natural Resources is authorized to spend \$4,000,000.00 for the Department of Environmental Conservation for the Municipal Pollution Control Grants for pollution control projects and planning advances for feasibility studies; and

(20) the Agency of Natural Resources is authorized to spend \$3,000,000.00 for the Department of Forests, Parks and Recreation for the maintenance facilities at the Gifford Woods State Park and Groton Forest State Park; and

~~(21) the Agency of Natural Resources is authorized to spend \$800,000.00 for the Department of Fish and Wildlife for infrastructure maintenance and improvements of the Department's buildings, including conservation camps. [Repealed.]~~

(d) FY 2025 capital projects authorizations. To the extent general funds are available to appropriate to the Fund established in 32 V.S.A. § 1001b in FY

~~2025, it is the intent of the General Assembly that the following capital projects receive funding from the Fund~~ In FY 2025, spending authority for the following capital projects are authorized as follows:

(1) the sum of ~~\$250,000.00~~ \$220,000.00 to the Department of Buildings and General Services for planning, reuse, and contingency;

\* \* \*

(3) the sum of ~~\$2,000,000.00~~ \$1,500,000.00 to the Department of Buildings and General Services for the renovation of the interior HVAC steam lines at 120 State Street in Montpelier;

(4) the sum of ~~\$1,000,000.00~~ \$850,000.00 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) the sum of ~~\$1,000,000.00~~ \$850,000.00 to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Special Teams Facility and Storage;

(6) the sum of ~~\$1,000,000.00~~ \$850,000.00 to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Rutland Field Station;

\* \* \*

(8) ~~the sum of \$500,000.00 to the Department of Buildings and General Services for the Newport courthouse replacement, planning, and design; [Repealed.]~~

(9) the sum of \$250,000.00 to the Department of Buildings and General Services for planning for the 133-109 State Street tunnel waterproofing and Aiken Avenue reconstruction; ~~and~~

(10) the sum of \$200,000.00 to the Department of Buildings and General Services for the renovation of the stack area, HVAC upgrades, and the elevator replacement at 111 State Street;

(11) the sum of \$1,000,000.00 to the Department of Buildings and General Services for roof replacement and brick façade repairs at the McFarland State Office Building in Barre; and

(12) the sum of \$30,000.00 to the Department of Fish and Wildlife for the Lake Champlain International fishing derby.

\* \* \*

\* \* \* Policy \* \* \*

\* \* \* Agency of Natural Resources \* \* \*

Sec. 12. 10 V.S.A. § 2603 is amended to read:

§ 2603. POWERS AND DUTIES: COMMISSIONER

\* \* \*

~~(g) The Commissioner shall consult with and receive approval from the Commissioner of Buildings and General Services concerning proposed construction or renovation of individual projects involving capital improvements which are expected, either in phases or in total, to cost more than \$200,000.00. The Department of Environmental Conservation shall manage all contracts for engineering services for capital improvements made by the Department of Forests, Parks and Recreation. The Department of Environmental Conservation Facilities Engineering Section:~~

(1) may execute and consult on design for the Department of Forests, Parks and Recreation;

(2) shall provide professional engineering services for compliance with environmental operating permits; and

(3) shall be the custodian of all plans of record for work executed by the Department of Forests, Parks and Recreation, regardless of the source and designer of record.

\* \* \*

Sec. 13. LEGISLATIVE INTENT; SALISBURY FISH HATCHERY

It is the intent of the General Assembly that:

(1) The State shall maintain or increase its current fish stocking capacity.

(2) To the extent practicable, the Salisbury fish hatchery shall, subject to annual appropriations, continue operating through December 31, 2027.

(3) The Agency of Natural Resources shall examine potential options for continuing the operation of the Salisbury fish hatchery after fiscal year 2027, including maintaining any necessary permits.

(4) The Agency of Natural Resources shall examine options for maintaining or increasing the State's current fish stocking capacity following the potential closure of the Salisbury fish hatchery, including:

(A) replacing the stocking capacity of the Salisbury fish hatchery with increased stocking capacity at one or more State-operated or federally operated fish hatcheries;

(B) transferring fish stocking capacity from the Salisbury hatchery to other State fish hatcheries;

(C) establishing additional egg production at other State fish hatcheries to compensate for any lost egg production; and

(D) utilizing other innovative or more cost-effective approaches for replacing any lost stocking capacity.

(5) The Agency of Natural Resources shall examine options for limiting any negative economic impact from the potential closure of the Salisbury fish hatchery, including impacts from reduced fish stocking on fishing and tourism, and impacts from the loss of staff positions at the Salisbury fish hatchery.

(6) The Salisbury fish hatchery shall not close without prior approval of the General Assembly, which shall be provided if:

(A) the hatchery is unable to secure the necessary permits to continue operating after December 31, 2027; or

(B) the stocking capacity of the hatchery can be replaced in a manner that is more cost-effective than the up-front and operating costs of the capital improvements necessary for the hatchery to obtain the necessary permits to continue operating after December 31, 2027.

#### Sec. 14. SALISBURY FISH HATCHERY FEASIBILITY STUDY

(a) The Commissioner of Fish and Wildlife shall update the July 9, 2013 Facility Modernization Discharge Requirements Feasibility Study for the Salisbury Fish Hatchery and shall, on or before December 15, 2024, report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions regarding the feasibility of continuing operations at the Salisbury Fish Hatchery after December 31, 2027, of transferring the production capacity of the Salisbury Fish Hatchery to the State's hatchery system, and of alternative options for replacing the production capacity of the Salisbury Fish Hatchery.

(b) The report shall:

(1) identify the repairs, improvements, and other work necessary to enable the Salisbury Fish Hatchery to obtain any permits necessary to continue operating after December 31, 2027 and provide a detailed analysis of the associated costs and a plan for accomplishing the work;

(2) identify any repairs, improvements, and other work necessary to enable the production capacity of the Salisbury Fish Hatchery to be transferred to the State's hatchery system and provide a detailed analysis of the associated costs and a plan for accomplishing the work; and

(3) examine alternative approaches to maintaining the State's fish production capacity, including an analysis of associated costs and work necessary to successfully implement each identified alternative approach.

\* \* \* Buildings and General Services \* \* \*

Sec. 15. 2023 Acts and Resolves No. 69, Sec. 22 is amended to read:

Sec. 22. SALE OF PROPERTIES

\* \* \*

(c) 108 Cherry Street. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to sell the property located at 108 Cherry Street in the City of Burlington. The Commissioner shall first offer in writing to the City the right to purchase the property.

\* \* \*

(3) Notwithstanding 29 V.S.A. § 166(d) and 29 V.S.A. § 160, of the proceeds received by the State for the sale of the property located at 108 Cherry Street in the City of Burlington, \$6,242,500.00 shall be deposited into the Property Management Revolving Fund (58700) to recover the deficit incurred in the fund as a result of the original purchase of the property and, notwithstanding 29 V.S.A. § 168(c), \$293,753.63 shall be deposited into the State Energy Revolving Fund (59700) to repay debt outstanding for loans for energy improvement projects on the property.

Sec. 16. SALE OF FORMER WILLISTON STATE POLICE BARRACKS;  
INTENT; REPORT

It is the intent of the General Assembly that the Town of Williston shall report to the Senate Committee on Institutions and the House Committee on Corrections and Institutions in January 2025 regarding:

(1) whether the town desires to purchase the property; and

(2) if so:

(A) the feasibility of the Town purchasing the property, including any requested conditions on the sale of the property; and

(B) the potential future uses of the property envisioned by the Town.

Sec. 17. 2017 Acts and Resolves No. 84, Sec. 36 is amended to read:

## Sec. 36. PUBLIC SAFETY FIELD STATION; WILLISTON

\* \* \*

(b) The Beginning on July 1, 2025, the Commissioner of Buildings and General Services is authorized to sell the Williston Public Safety Field Station and adjacent land pursuant to the requirements of 29 V.S.A. § 166. The proceeds from the sale shall be appropriated to future capital construction projects.

Sec. 18. 2021 Acts and Resolves No. 50, Sec. 34 is amended to read:

## Sec. 34. WILLISTON PUBLIC SAFETY BARRACKS; SALE

The Beginning on July 1, 2025, the Commissioner of Buildings and General Services is authorized to sell the property known as the Williston Public Safety Barracks (State Office Building) located at 2777 St. George Road in Williston, Vermont pursuant to the requirements of 29 V.S.A. § 166. The proceeds from the sale shall be appropriated to future capital construction projects.

Sec. 19. 29 V.S.A. § 152 is amended to read:

## § 152. DUTIES OF COMMISSIONER

(a) The Commissioner of Buildings and General Services, in addition to the duties expressly set forth elsewhere by law, shall have the authority to:

\* \* \*

(3) Prepare or cause to be prepared plans and specifications for construction and repair on all State-owned buildings:

\* \* \*

(B) For which no specific appropriations have been made by the General Assembly or the Emergency Board. The Commissioner may, with the approval of the Secretary of Administration, acquire an option, ~~for a price not to exceed \$75,000.00,~~ on an individual property without prior legislative approval, for a price not to exceed five percent of the listed sale price of the property, provided the option contains a provision stating that purchase of the property shall occur only upon the approval of the General Assembly and the appropriation of funds for this purpose. The State Treasurer is authorized to advance a sum not to exceed ~~\$75,000.00~~ five percent of the listed sale price of the property, upon warrants drawn by the Commissioner of Finance and Management for the purpose of purchasing an option on a property pursuant to this subdivision.

\* \* \*



(19) Transfer any unexpended project balances between projects that are authorized within the same section of an ~~annual~~ biennial capital construction act.

(20) Transfer any unexpended project balances between projects that are authorized within different capital construction acts, with the approval of the Secretary of Administration, when the unexpended project balance does not exceed ~~\$100,000.00~~ \$200,000.00, or with the additional approval of the Emergency Board when such balance exceeds ~~\$100,000.00~~ \$200,000.00.

\* \* \*

(22) Use the contingency fund appropriation to cover shortfalls for any project approved in any capital construction act; however, transfers from the contingency in excess of ~~\$50,000.00~~ \$100,000.00 shall be done with the approval of the Secretary of Administration.

\* \* \*

Sec. 20. 29 V.S.A. § 166 is amended to read:

§ 166. SELLING OR RENTING STATE PROPERTY

\* \* \*

(b)(1) Upon authorization by the General Assembly, which may be granted by resolution, and with the advice and consent of the Governor, the Commissioner of Buildings and General Services may sell real estate owned by the State. ~~Such~~ The property shall be sold to the highest bidder ~~therefor~~ at public auction or upon sealed bids ~~in~~ at the discretion of the Commissioner of Buildings and General Services, who may reject any or all bids, or the Commissioner is authorized to list the sale of property with a real estate agent licensed by the State. In no event shall the property be sold for less than fair market value as determined by the Commissioner in consultation with an independent real estate broker or appraiser, or both, retained by the Commissioner, unless otherwise authorized by the General Assembly.

\* \* \*

Sec. 21. STATE BUILDING NAMING; STUDY COMMITTEE; REPORT

(a) Creation. There is created the State Building Naming Study Committee to develop a proposed process for naming State buildings that are under the jurisdiction of the Department of Buildings and General Services.

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

- (1) the State Historic Preservation Officer or designee;

(2) the Secretary of Commerce and Community Development or designee;

(3) the Commissioner of Buildings and General Services or designee;

(4) the Executive Director of the Vermont Historical Society or designee;

(5) the State Librarian or designee

(6) the Executive Director of the Vermont League of Cities and Towns or designee;

(7) the Executive Director of the Office of Racial Equity or designee;  
and

(8) the Executive Secretary of the Transportation Board or designee.

(c) Powers and duties.

(1) The Committee shall develop a proposed process for naming State buildings that are under the jurisdiction of the Department of Buildings and General Services. The proposed process developed by the Committee shall address the following:

(A) an entity within State government, other than the General Assembly, that should have authority for naming State buildings that are under the jurisdiction of the Department of Buildings and General Services;

(B) entities and individuals who should be involved in determining whether to name specific State buildings that are under the jurisdiction of the Department of Buildings and General Services;

(C) methods by which a municipality or the general public may petition to name a State building under the jurisdiction of the Department of Buildings and General Services after a specific person;

(D) any requirements for a historical nexus between the building proposed to be named and the person for whom it is proposed to be named;  
and

(E) the process for considering a petition to name a State building, including requirements related to public notice, conduct of hearings, and standards for rendering a decision on a petition.

(2) In carrying out its duties pursuant to subdivision (1) of this section, the Committee shall hold not fewer than three meetings and shall solicit testimony from stakeholders and interested parties.

(d) Report. On or before February 15, 2025, the Committee shall report to the House Committee on Corrections and Institutions and the Senate

Committee on Institutions regarding its proposal and any recommendations for legislative action.

(e) Meetings.

(1) The State Historic Preservation Officer shall call the first meeting of the Committee to occur on or before September 1, 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 on February 28, 2025.

Sec. 22. SOUTHEAST STATE CORRECTIONAL FACILITY; POTENTIAL LAND TRANSFER; REPORT

(a) The Department of Fish and Wildlife, in consultation with the Department of Buildings and General Services, shall evaluate the potential transfer of a portion of the former Southeast State Correctional Facility property to the Department of Fish and Wildlife for inclusion in the adjacent wildlife management area. The evaluation shall:

(1) delineate the portions of the former Southeast State Correctional Facility property that could be used for future redevelopment of the site, taking into account any necessary setbacks from wetlands, streams, or wildlife habitat;

(2) identify any portions of the property that could be transferred into the adjacent wildlife management area and potential impacts on the redevelopment or sale of the property from the transfer of the identified portions; and

(3) identify any rights of way or easements that will be necessary for the potential future redevelopment of any retained portion of the property.

(b) On or before January 15, 2025, the Commissioner of Fish and Wildlife and the Commissioner of Buildings and General Services shall report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions regarding the evaluation and any legislative action that may be necessary to facilitate a proposed transfer or redevelopment of the property.

Sec. 23. SOUTHERN STATE CORRECTIONAL FACILITY; TRANSFER OF PARCEL

(a) The Commissioner of Buildings and General Services is authorized to transfer to the Town of Springfield a portion of the Southern State

Correctional Facility Property consisting of approximately 10 acres to be used as the location of a new Town garage.

(b) The transfer shall be contingent on:

(1) the State obtaining State and local zoning and subdivision approvals that are necessary for the transfer; and

(2) the negotiation of an agreement between the State and the Town of Springfield regarding the maintenance and upkeep of the access road and the water and sewer service lines for the Correctional Facility and the transferred parcel.

(c) The transferred parcel shall not include any brownfields on the Southern State Correctional Facility Property.

(d) In the event the Town does not utilize the transferred parcel for a new Town garage, the Town shall consult with the Commissioner of Buildings and General Services regarding any proposed alternative uses of the parcel.

(e) The transfer authority provided pursuant to this section shall expire on July 1, 2027.

Sec. 24. SECURE RESIDENTIAL RECOVER FACILITY;  
REQUIREMENTS; REVIEW; REPORT

(a) The Commissioner of Buildings and General Services, in consultation with the Commissioner of Mental Health, shall review the facility requirements related to incorporating the use of emergency involuntary procedures and involuntary medication at the River Valley secure residential recovery facility in Essex. The Commissioner shall report, on or before February 1, 2025, to the Senate Committees on Appropriations, on Institutions, and on Health and Welfare and to the House Committees on Appropriations, on Corrections and Institutions, and on Health Care regarding the findings of the review.

(b)(1) To the extent funding is available, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Mental Health, may commence construction on improvements and upgrades identified pursuant to subsection (a) of this section in fiscal year 2025.

(2) It is the intent of the General Assembly that the fiscal year 2026 capital construction and State bonding act shall include funding for any remaining design, development, and construction of the upgrades and improvements identified in the report submitted pursuant to subsection (a) of this section.

(c) Nothing in this section shall preclude the future development of a forensic facility.

Sec. 25. SOUTHEAST STATE CORRECTIONAL FACILITY;  
POTENTIAL REUSE BY THE STATE; POTENTIAL TO  
DEACTIVATE BUILDINGS; REPORT

(a) The Commissioner of Buildings and General Services shall:

(1) update previous reports on the potential to repurpose the former Southeast State Correctional Facility for a State purpose and determine whether the location of the former Facility can be used for:

(A) another future State facility;

(B) emergency or backup space to address State needs for temporary facility space or temporary office space; or

(C) other State purposes; and

(2) whether some or all of the structures at the former Southeast State Correctional Facility could be temporarily deactivated or winterized to reduce ongoing maintenance costs until the facility is utilized for another State purpose, and the costs related to deactivation or winterization.

(b) The Commissioner shall, on or before January 15, 2025, report to the House Committees on Appropriations and on Corrections and Institutions and the Senate Committees on Appropriations and on Institutions regarding the Commissioner's findings pursuant to subsection (a) of this section.

(c) It is the intent of the General Assembly that it shall not authorize the sale of the parcel on which the former Southeast State Correctional Facility was located unless the State has determined that the site is not needed for use as the location for a State facility or other State purpose.

Sec. 26. DEPARTMENT FOR CHILDREN AND FAMILIES YOUTH  
SHORT-TERM STABILIZATION AND TREATMENT CENTER;  
LONG-TERM LEASE; AUTHORIZATION

Notwithstanding any provisions of 29 V.S.A. § 165(h) or 29 V.S.A. § 166(a) to the contrary, the Commissioner of Buildings and General Services is authorized to enter into a long-term ground lease agreement at a below-market rate for an initial term of not more than 20 years with not more than four five-year renewal options for the Department for Children and Families Youth Short Term Stabilization and Treatment Center. At the end of the term and any renewals, the ground lease shall terminate.

Sec. 27. CAPITOL COMPLEX FLOOD RECOVERY; SPECIAL  
COMMITTEE

(a) The Special Committee on Capitol Complex Flood Recovery is established. The Special Committee shall comprise the Joint Fiscal Committee and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(b)(1) The Special Committee shall meet at the call of the Chair of the Joint Fiscal Committee, in consultation with the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(2)(A) The Special Committee shall meet to review and recommend alterations to proposals and plans for Capitol Complex flood recovery.

(B) The Special Committee may, as necessary, grant approval to proposals and plans for Capitol Complex flood recovery.

(c) The Commissioner of Buildings and General Services shall provide quarterly updates to the Special Committee on the planning process for Capitol Complex flood recovery.

(d) The Special Committee shall be entitled to per diem and expenses as provided in 2 V.S.A. § 23.

Sec. 28. STATE HOUSE; IMPROVEMENTS; DESIGN; SPECIAL COMMITTEE

(a)(1) To allow the Department of Buildings and General Services to begin the design development phase, it is the intent of the General Assembly to approve a schematic design plan for accessibility, life safety, and mechanical systems improvements to the State House identified in Scenario 1, as approved by the Joint Legislative Management Committee on December 15, 2023 and excluding any improvements that would impact committee rooms.

(2) The Commissioner of Buildings and General Services shall provide the Special Committee established pursuant to subsection (b) of this section with a draft schematic design plan for the work identified pursuant to subdivision (1) of this subsection on or before July 15, 2024 and a final schematic design plan on or before September 15, 2024.

(b)(1) A Special Committee to be called the Special Committee on State House Improvements consisting of the Joint Legislative Management Committee and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions is established.

(2) The Special Committee is authorized to meet to:

(A) review and recommend alterations to the draft schematic design to be submitted on or before July 15, 2024 as described in subsection (a) of

this section at a regularly scheduled Joint Legislative Management Committee meeting; and

(B) review and approve the final schematic design to be submitted on or before September 15, 2024 as described in subsection (a) of this section at a regularly scheduled Joint Legislative Management Committee meeting.

(c) In making its decision, the Special Committee shall consider:

(1) how the design impacts the ability of the General Assembly to conduct legislative business;

(2) whether the design allows for public access to citizens;

(3) the financial consequences to the State of approval or disapproval of the proposal; and

(4) whether any potential alternatives are available.

(d) The Special Committee shall be entitled to per diem and expenses as provided in 2 V.S.A. § 23.

\* \* \* Corrections \* \* \*

Sec. 29. 2023 Acts and Resolves No. 69, Sec. 28 is amended to read:

Sec. 28. REPLACEMENT WOMEN'S REENTRY AND CORRECTIONAL FACILITIES; SITE LOCATION PROPOSAL; DESIGN INTENT

(a) Site location proposal.

(1)(A) ~~Site location proposal.~~ On or before January 15, 2024 2025, the Commissioner of Buildings and General Services shall submit a site location proposal for replacement women's reentry and correctional facilities for justice-involved women to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(B) It is the intent of the General Assembly that:

(i) when evaluating site locations, preference shall be given to State-owned property;

(ii) the site location, regardless of whether it is on State-owned land or land proposed to be purchased by the State, shall be:

(I) near support services, programming, and work opportunities needed to facilitate successful reentry into the community; and

(II) in a reasonable proximity to the existing workforce to facilitate retention and continuity of experienced staff; and

(iii) the proposal shall consider the proximity of existing and potential future public transit services.

(C) The proposal shall consider both collocating facilities in a campus-style approach for operational efficiencies and the need for separate facilities at different locations.

\* \* \*

(c) As used in this section, “reentry facility” means a facility that:

(1) is for incarcerated individuals preparing to transition back into the community following release;

(2) provides the lowest level of security;

(3) has a flexible design that is distinct from other existing secure correctional facilities;

(4) provides the individuals housed in the facility with continual access to services and supports, including counseling and treatment; and

(5) is designed in a flexible manner to support programs like work release and day-reporting.

Sec. 30. REPLACEMENT WOMEN’S REENTRY AND CORRECTIONAL FACILITIES; AUTHORITY TO PURCHASE LAND; INTENT; REPORT

(a) Contingent authority to purchase land. In the event that the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, is unable to identify appropriate State-owned site locations for the replacement reentry and correctional facilities for justice-involved women, the Commissioner is authorized to purchase land in a location that is:

(1) near support services, programming, and work opportunities needed to facilitate successful reentry into the community;

(2) in a reasonable proximity to the existing workforce to facilitate retention and continuity of experienced staff; and

(3) near existing or potential future public transit services.

(b) Reports. Beginning in July 2024 and ending in January 2025, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, shall report at least once per calendar quarter to the House Committee on Corrections and Institutions and the Senate Committee on Institutions regarding the progress in identifying State-owned



property and, if necessary, purchasing property on which to locate the replacement facilities for justice-involved women.

(c) As used in this section, “reentry facility” means a facility that:

(1) is for incarcerated individuals preparing to transition back into the community following release;

(2) provides the lowest level of security;

(3) has a flexible design that is distinct from other existing secure correctional facilities;

(4) provides the individuals housed in the facility with continual access to services and supports, including counseling and treatment; and

(5) is designed in a flexible manner to support programs like work release and day-reporting.

Sec. 31. POTENTIAL REUSE OF CHITTENDEN REGIONAL  
CORRECTIONAL FACILITY SITE; FEASIBILITY; REPORT

(a) On or before December 15, 2025, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, shall report to the House Committee on Corrections and Institutions and the Senate Committees on Institutions and on Judiciary regarding the feasibility of utilizing the site of the Chittenden Regional Correctional Facility for a reentry facility for eligible justice-involved men following the construction of replacement facilities for justice-involved women.

(b) The report shall:

(1)(A) evaluate the condition and structure of the existing facility to determine if it can be repurposed as a reentry facility in a manner that supports the programmatic goals of the Department of Corrections using evidence-based principles for wellness environments for supporting trauma-informed practices; and

(B) if it can be repurposed as a reentry facility, the improvements and other work necessary to support the programmatic goals of the Department of Corrections using evidence-based principles for wellness environments for supporting trauma-informed practices and the estimated cost of performing the work;

(2)(A) evaluate whether a new reentry facility could be constructed on the site following the demolition of some or all of the existing facility;

(B) identify potential designs for a newly constructed reentry facility at the site that supports the programmatic goals of the Department of

Corrections using evidence-based principles for wellness environments for supporting trauma-informed practices; and

(C) identify any site work, improvements, and other work necessary to construct a new reentry facility on the site, including the cost of any such work; and

(3) if the existing facility cannot be repurposed as a reentry facility and a new reentry facility cannot be constructed on the site, identify other potential sites for a male reentry facility that are near:

(A) support services, programming, and work opportunities needed to facilitate successful reentry into the community; and

(B) existing or potential future public transit services.

(c) As used in this section, “reentry facility” means a facility that:

(1) is for incarcerated individuals preparing to transition back into the community following release;

(2) provides the lowest level of security;

(3) has a flexible design that is distinct from other existing secure correctional facilities;

(4) provides the individuals housed in the facility with continual access to services and supports, including counseling and treatment; and

(5) is designed in a flexible manner to support programs like work release and day-reporting.

(d) It is the intent of the General Assembly that the fiscal year 2026 capital construction and State bonding act shall include funding for the preparation of the report required pursuant to this section.

#### Sec. 32. REENTRY SERVICES; NEW CORRECTIONAL FACILITIES; PROGRAMMING; RECOMMENDATIONS

On or before November 15, 2024, the Department of Corrections, in consultation with the Department of Buildings and General Services, shall submit recommendations to the Senate Committee on Judiciary and the House Committee on Corrections and Institutions detailing the following:

(1) an examination of the Department of Corrections’ reentry and transitional services with the objective to transition and implement modern strategies and facilities to assist individuals involved with the criminal justice system to obtain housing, vocational and job opportunities, and other services to successfully reintegrate into society;

(2) the recommended size of a new women's correctional facility, including the scope and quality of programming and services housed in the facility and any therapeutic, educational, and other specialty design features necessary to support the programming and services offered in the facility; and

(3) whether it is advisable to construct a new men's reentry facility on the same campus as the women's correctional facility or at another location.

\* \* \* Judiciary \* \* \*

Sec. 33. BARRE; WASHINGTON COUNTY SUPERIOR COURTHOUSE;  
LAND ACQUISITION; AUTHORIZATION; COMMUNICATION  
WITH CITY

(a) The Commissioner of Buildings and General Services, in consultation with the Judiciary, is authorized to use the amounts appropriated in 2023 Acts and Resolves No. 69, Sec. 18(c)(11) and (d)(4) to purchase land as needed to renovate or replace the Washington County Superior Courthouse.

(b) The Commissioner shall:

(1) consult with the City of Barre on potential options for renovating or replacing the Washington County Superior Courthouse in Barre; and

(2) provide updates to the City on progress made with respect to renovating or replacing the Courthouse.

Sec. 34. WHITE RIVER JUNCTION; WINDSOR COUNTY SUPERIOR  
COURTHOUSE; TEMPORARY RELOCATION OF EMPLOYEES

It is the intent of the General Assembly that following completion of the renovations to the Windsor County Superior Courthouse in White River Junction, the offices of the Windsor County State's Attorney shall be relocated to the leased office space at 55 Railroad Row that is being used as temporary office space for Courthouse employees during the renovation.

\* \* \* Effective Date \* \* \*

Sec. 35. EFFECTIVE DATE

This act shall take effect on passage.

*RUSSELL H. INGALLS  
WENDY K. HARRISON  
BRIAN P. COLLAMORE*

*Committee on the part of the Senate*

*ALICE M. EMMONS  
CONOR CASEY  
TROY HEADRICK*

*Committee on the part of the House*

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

**Rules Suspended; Actions Messaged**

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

**S. 220, S. 253.**

**Rules Suspended; Bills Messaged**

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

**H. 534, H. 546, H. 563, H. 780, H. 870, H. 882.**

**Recess**

On motion of Senator Baruth the Senate recessed until 7:00 P.M.

**Called to Order**

The Senate was called to order by the President

**Rules Suspended; Immediate Consideration; House Proposal of Amendment to Senate Proposal of Amendment Concurred In with Proposal of Amendment; Rules Suspended; Bill Messaged**

**H. 121.**

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

An act relating to enhancing consumer privacy.

Was taken up for immediate consideration.

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

Sec. 1. 9 V.S.A. chapter 61A is added to read:

CHAPTER 61A. VERMONT DATA PRIVACY ACT

§ 2415. DEFINITIONS

As used in this chapter:

(1)(A) "Affiliate" means a legal entity that shares common branding with another legal entity or controls, is controlled by, or is under common control with another legal entity.

(B) As used in subdivision (A) of this subdivision (1), “control” or “controlled” means:

(i) ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a company;

(ii) control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or

(iii) the power to exercise controlling influence over the management of a company.

(2) “Age estimation” means a process that estimates that a consumer is likely to be of a certain age, fall within an age range, or is over or under a certain age.

(A) Age estimation methods include:

(i) analysis of behavioral and environmental data the controller already collects about its consumers;

(ii) comparing the way a consumer interacts with a device or with consumers of the same age;

(iii) metrics derived from motion analysis; and

(iv) testing a consumer’s capacity or knowledge.

(B) Age estimation does not require certainty, and if a controller estimates a consumer’s age for the purpose of advertising or marketing, that estimation may also be used to comply with this chapter.

(3) “Age verification” means a system that relies on hard identifiers or verified sources of identification to confirm a consumer has reached a certain age, including government-issued identification or a credit card.

(4) “Authenticate” means to use reasonable means to determine that a request to exercise any of the rights afforded under subdivisions 2418(a)(1)–(5) of this title is being made by, or on behalf of, the consumer who is entitled to exercise the consumer rights with respect to the personal data at issue.

(5)(A) “Biometric data” means data generated from the technological processing of an individual’s unique biological, physical, or physiological characteristics that is linked or reasonably linkable to an individual, including:

(i) iris or retina scans;

(ii) fingerprints;

(iii) facial or hand mapping, geometry, or templates;

(iv) vein patterns;

(v) voice prints; and

(vi) gait or personally identifying physical movement or patterns.

(B) “Biometric data” does not include:

(i) a digital or physical photograph;

(ii) an audio or video recording; or

(iii) any data generated from a digital or physical photograph, or an audio or video recording, unless such data is generated to identify a specific individual.

(6) “Broker-dealer” has the same meaning as in 9 V.S.A. § 5102.

(7) “Business associate” has the same meaning as in HIPAA.

(8) “Child” has the same meaning as in COPPA.

(9)(A) “Consent” means a clear affirmative act signifying a consumer’s freely given, specific, informed, and unambiguous agreement to allow the processing of personal data relating to the consumer.

(B) “Consent” may include a written statement, including by electronic means, or any other unambiguous affirmative action.

(C) “Consent” does not include:

(i) acceptance of a general or broad terms of use or similar document that contains descriptions of personal data processing along with other, unrelated information;

(ii) hovering over, muting, pausing, or closing a given piece of content; or

(iii) agreement obtained through the use of dark patterns.

(10)(A) “Consumer” means an individual who is a resident of the State.

(B) “Consumer” does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit, or government agency whose communications or transactions with the controller occur solely within the context of that individual’s role with the company, partnership, sole proprietorship, nonprofit, or government agency.

(11) “Consumer health data” means any personal data that a controller uses to identify a consumer’s physical or mental health condition or diagnosis, including gender-affirming health data and reproductive or sexual health data.

(12) “Consumer health data controller” means any controller that, alone or jointly with others, determines the purpose and means of processing consumer health data.

(13) “Consumer reporting agency” has the same meaning as in the Fair Credit Reporting Act, 15 U.S.C. § 1681a(f);

(14) “Controller” means a person who, alone or jointly with others, determines the purpose and means of processing personal data.

(15) “COPPA” means the Children’s Online Privacy Protection Act of 1998, 15 U.S.C. § 6501–6506, and any regulations, rules, guidance, and exemptions promulgated pursuant to the act, as the act and regulations, rules, guidance, and exemptions may be amended.

(16) “Covered entity” has the same meaning as in HIPAA.

(17) “Credit union” has the same meaning as in 8 V.S.A. § 30101.

(18) “Dark pattern” means a user interface designed or manipulated with the substantial effect of subverting or impairing user autonomy, decision-making, or choice and includes any practice the Federal Trade Commission refers to as a “dark pattern.”

(19) “Data broker” has the same meaning as in section 2430 of this title.

(20) “Decisions that produce legal or similarly significant effects concerning the consumer” means decisions made by the controller that result in the provision or denial by the controller of financial or lending services, housing, insurance, education enrollment or opportunity, criminal justice, employment opportunities, health care services, or access to essential goods or services.

(21) “De-identified data” means data that does not identify and cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable individual, or a device linked to the individual, if the controller that possesses the data:

(A)(i) takes reasonable measures to ensure that the data cannot be used to re-identify an identified or identifiable individual or be associated with an individual or device that identifies or is linked or reasonably linkable to an individual or household;

(ii) for purposes of this subdivision (A), “reasonable measures” shall include the de-identification requirements set forth under 45 C.F.R. § 164.514 (other requirements relating to uses and disclosures of protected health information);

(B) publicly commits to process the data only in a de-identified fashion and not attempt to re-identify the data; and

(C) contractually obligates any recipients of the data to satisfy the criteria set forth in subdivisions (A) and (B) of this subdivision (21).

(22) “Financial institution”:

(A) as used in subdivision 2417(a)(12) of this title, has the same meaning as in 15 U.S.C. § 6809; and

(B) as used in subdivision 2417(a)(14) of this title, has the same meaning as in 8 V.S.A. § 11101.

(23) “Gender-affirming health care services” has the same meaning as in 1 V.S.A. § 150.

(24) “Gender-affirming health data” means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer’s receipt of, gender-affirming health care services, including:

(A) precise geolocation data that is used for determining a consumer’s attempt to acquire or receive gender-affirming health care services;

(B) efforts to research or obtain gender-affirming health care services; and

(C) any gender-affirming health data that is derived from nonhealth information.

(25) “Genetic data” means any data, regardless of its format, that results from the analysis of a biological sample of an individual, or from another source enabling equivalent information to be obtained, and concerns genetic material, including deoxyribonucleic acids (DNA), ribonucleic acids (RNA), genes, chromosomes, alleles, genomes, alterations or modifications to DNA or RNA, single nucleotide polymorphisms (SNPs), epigenetic markers, uninterpreted data that results from analysis of the biological sample or other source, and any information extrapolated, derived, or inferred therefrom.

(26) “Geofence” means any technology that uses global positioning coordinates, cell tower connectivity, cellular data, radio frequency identification, wireless fidelity technology data, or any other form of location detection, or any combination of such coordinates, connectivity, data, identification, or other form of location detection, to establish a virtual boundary.

(27) “Health care facility” has the same meaning as in 18 V.S.A. § 9432.



(28) “Heightened risk of harm to a minor” means processing the personal data of a minor in a manner that presents a reasonably foreseeable risk of:

(A) unfair or deceptive treatment of, or unlawful disparate impact on, a minor;

(B) financial, physical, or reputational injury to a minor;

(C) unintended disclosure of the personal data of a minor; or

(D) any physical or other intrusion upon the solitude or seclusion, or the private affairs or concerns, of a minor if the intrusion would be offensive to a reasonable person.

(29) “HIPAA” means the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191, and any regulations promulgated pursuant to the act, as may be amended.

(30) “Identified or identifiable individual” means an individual who can be readily identified, directly or indirectly, including by reference to an identifier such as a name, an identification number, specific geolocation data, or an online identifier.

(31) “Independent trust company” has the same meaning as in 8 V.S.A. § 2401.

(32) “Investment adviser” has the same meaning as in 9 V.S.A. § 5102.

(33) “Large data holder” means a person that during the preceding calendar year processed the personal data of not fewer than 100,000 consumers.

(34) “Mental health facility” means any health care facility in which at least 70 percent of the health care services provided in the facility are mental health services.

(35) “Nonpublic personal information” has the same meaning as in 15 U.S.C. § 6809.

(36)(A) “Online service, product, or feature” means any service, product, or feature that is provided online, except as provided in subdivision (B) of this subdivision (36).

(B) “Online service, product, or feature” does not include:

(i) telecommunications service, as that term is defined in the Communications Act of 1934, 47 U.S.C. § 153;

(ii) broadband internet access service, as that term is defined in 47 C.F.R. § 54.400 (universal service support); or

(iii) the delivery or use of a physical product.

(37) “Patient identifying information” has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records).

(38) “Patient safety work product” has the same meaning as in 42 C.F.R. § 3.20 (patient safety organizations and patient safety work product).

(39)(A) “Personal data” means any information, including derived data and unique identifiers, that is linked or reasonably linkable to an identified or identifiable individual or to a device that identifies, is linked to, or is reasonably linkable to one or more identified or identifiable individuals in a household.

(B) “Personal data” does not include de-identified data or publicly available information.

(40)(A) “Precise geolocation data” means information derived from technology that can precisely and accurately identify the specific location of a consumer within a radius of 1,850 feet.

(B) “Precise geolocation data” does not include:

(i) the content of communications;

(ii) data generated by or connected to an advanced utility metering infrastructure system; or

(iii) data generated by equipment used by a utility company.

(41) “Process” or “processing” means 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, or modification of personal data.

(42) “Processor” means a person who processes personal data on behalf of a controller.

(43) “Profiling” means any form of automated processing performed on personal data to evaluate, analyze, or predict personal aspects related to an identified or identifiable individual’s economic situation, health, personal preferences, interests, reliability, behavior, location, or movements.

(44) “Protected health information” has the same meaning as in HIPAA.

(45) “Pseudonymous data” means personal data that cannot be attributed to a specific individual without the use of additional information, provided the additional information is kept separately and is subject to appropriate technical and organizational measures to ensure that the personal data is not attributed to an identified or identifiable individual.

(46)(A) “Publicly available information” means information that:

(i) is lawfully made available through federal, state, or local government records; or

(ii) a controller has a reasonable basis to believe that the consumer has lawfully made available to the general public through widely distributed media.

(B) “Publicly available information” does not include biometric data collected by a business about a consumer without the consumer’s knowledge.

(47) “Qualified service organization” has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records).

(48) “Reproductive or sexual health care” has the same meaning as “reproductive health care services” in 1 V.S.A. § 150(c)(1).

(49) “Reproductive or sexual health data” means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer’s receipt of, reproductive or sexual health care.

(50) “Reproductive or sexual health facility” means any health care facility in which at least 70 percent of the health care-related services or products rendered or provided in the facility are reproductive or sexual health care.

(51)(A) “Sale of personal data” means the exchange of a consumer’s personal data by the controller to a third party for monetary or other valuable consideration or otherwise for a commercial purpose.

(B) As used in this subdivision (51), “commercial purpose” means to advance a person’s commercial or economic interests, such as by inducing another person to buy, rent, lease, join, subscribe to, provide, or exchange products, goods, property, information, or services, or enabling or effecting, directly or indirectly, a commercial transaction.

(C) “Sale of personal data” does not include:

(i) the disclosure of personal data to a processor that processes the personal data on behalf of the controller;

(ii) the disclosure of personal data to a third party for purposes of providing a product or service requested by the consumer;

(iii) the disclosure or transfer of personal data to an affiliate of the controller;

(iv) the disclosure of personal data where the consumer directs the controller to disclose the personal data or intentionally uses the controller to interact with a third party;

(v) the disclosure of personal data that the consumer:

(I) intentionally made available to the general public via a channel of mass media; and

(II) did not restrict to a specific audience; or

(vi) the disclosure or transfer of personal data to a third party as an asset that is part of a merger, acquisition, bankruptcy or other transaction, or a proposed merger, acquisition, bankruptcy, or other transaction, in which the third party assumes control of all or part of the controller's assets.

(52) "Sensitive data" means personal data that:

(A) reveals a consumer's government-issued identifier, such as a Social Security number, passport number, state identification card, or driver's license number, that is not required by law to be publicly displayed;

(B) reveals a consumer's racial or ethnic origin, national origin, citizenship or immigration status, religious or philosophical beliefs, or union membership;

(C) reveals a consumer's sexual orientation, sex life, sexuality, or status as transgender or nonbinary;

(D) reveals a consumer's status as a victim of a crime;

(E) is financial information, including a consumer's tax return and account number, financial account log-in, financial account, debit card number, or credit card number in combination with any required security or access code, password, or credentials allowing access to an account;

(F) is consumer health data;

(G) is personal data collected and analyzed concerning consumer health data or personal data that describes or reveals a past, present, or future mental or physical health condition, treatment, disability, or diagnosis, including pregnancy, to the extent the personal data is not used by the controller to identify a specific consumer's physical or mental health condition or diagnosis;

(H) is biometric or genetic data;

(I) is personal data collected from a known minor; or

(J) is precise geolocation data.

(53)(A) “Targeted advertising” means the targeting of an advertisement to a consumer based on the consumer’s activity with one or more businesses, distinctly branded websites, applications, or services, other than the controller, distinctly branded website, application, or service with which the consumer is intentionally interacting.

(B) “Targeted advertising” does not include:

(i) an advertisement based on activities within the controller’s own commonly branded website or online application;

(ii) an advertisement based on the context of a consumer’s current search query, visit to a website, or use of an online application;

(iii) an advertisement directed to a consumer in response to the consumer’s request for information or feedback; or

(iv) processing personal data solely to measure or report advertising frequency, performance, or reach.

(54) “Third party” means a natural or legal person, public authority, agency, or body, other than the consumer, controller, or processor or an affiliate of the processor or the controller.

(55) “Trade secret” has the same meaning as in section 4601 of this title.

(56) “Victim services organization” means a nonprofit organization that is established to provide services to victims or witnesses of child abuse, domestic violence, human trafficking, sexual assault, violent felony, or stalking.

#### § 2416. APPLICABILITY

(a) Except as provided in subsection (b) of this section, this chapter applies to a person that conducts business in this State or a person that produces products or services that are targeted to residents of this State and that during the preceding calendar year:

(1) controlled or processed the personal data of not fewer than 25,000 consumers, excluding personal data controlled or processed solely for the purpose of completing a payment transaction; or

(2) controlled or processed the personal data of not fewer than 12,500 consumers and derived more than 25 percent of the person’s gross revenue from the sale of personal data.

(b) Sections 2420, 2424, and 2428 of this title and the provisions of this chapter concerning consumer health data and consumer health data controllers

apply to a person that conducts business in this State or a person that produces products or services that are targeted to residents of this State.

§ 2417. EXEMPTIONS

(a) This chapter does not apply to:

(1) a federal, State, tribal, or local government entity in the ordinary course of its operation;

(2) protected health information that a covered entity or business associate processes in accordance with, or documents that a covered entity or business associate creates for the purpose of complying with HIPAA;

(3) information used only for public health activities and purposes described in 45 C.F.R. § 164.512 (disclosure of protected health information without authorization);

(4) information that identifies a consumer in connection with:

(A) activities that are subject to the Federal Policy for the Protection of Human Subjects, codified as 45 C.F.R. Part 46 (HHS protection of human subjects) and in various other federal regulations;

(B) research on human subjects undertaken in accordance with good clinical practice guidelines issued by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use;

(C) activities that are subject to the protections provided in 21 C.F.R. Parts 50 (FDA clinical investigations protection of human subjects) and 56 (FDA clinical investigations institutional review boards); or

(D) research conducted in accordance with the requirements set forth in subdivisions (A) through (C) of this subdivision (a)(4) or otherwise in accordance with applicable law;

(5) patient identifying information that is collected and processed in accordance with 42 C.F.R. Part 2 (confidentiality of substance use disorder patient records);

(6) patient safety work product that is created for purposes of improving patient safety under 42 C.F.R. Part 3 (patient safety organizations and patient safety work product);

(7) information or documents created for the purposes of the Healthcare Quality Improvement Act of 1986, 42 U.S.C. § 11101–11152, and regulations adopted to implement that act;

(8) information that originates from, or is intermingled so as to be indistinguishable from, or that is treated in the same manner as information described in subdivisions (2)–(7) of this subsection that a covered entity, business associate, or a qualified service organization program creates, collects, processes, uses, or maintains in the same manner as is required under the laws, regulations, and guidelines described in subdivisions (2)–(7) of this subsection;

(9) information processed or maintained solely in connection with, and for the purpose of, enabling:

(A) an individual’s employment or application for employment;

(B) an individual’s ownership of, or function as a director or officer of, a business entity;

(C) an individual’s contractual relationship with a business entity;

(D) an individual’s receipt of benefits from an employer, including benefits for the individual’s dependents or beneficiaries; or

(E) notice of an emergency to persons that an individual specifies;

(10) any activity that involves collecting, maintaining, disclosing, selling, communicating, or using information for the purpose of evaluating a consumer’s creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living if done strictly in accordance with the provisions of the Fair Credit Reporting Act, 15 U.S.C. § 1681–1681x, as may be amended, by:

(A) a consumer reporting agency;

(B) a person who furnishes information to a consumer reporting agency under 15 U.S.C. § 1681s-2 (responsibilities of furnishers of information to consumer reporting agencies); or

(C) a person who uses a consumer report as provided in 15 U.S.C. § 1681b(a)(3) (permissible purposes of consumer reports);

(11) information collected, processed, sold, or disclosed under and in accordance with the following laws and regulations:

(A) the Driver’s Privacy Protection Act of 1994, 18 U.S.C. § 2721–2725;

(B) the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g, and regulations adopted to implement that act;

(C) the Airline Deregulation Act, Pub. L. No. 95-504, only to the extent that an air carrier collects information related to prices, routes, or

services, and only to the extent that the provisions of the Airline Deregulation Act preempt this chapter;

(D) the Farm Credit Act, Pub. L. No. 92-181, as may be amended;

(E) federal policy under 21 U.S.C. § 830 (regulation of listed chemicals and certain machines);

(12) nonpublic personal information that is processed by a financial institution subject to the Gramm-Leach-Bliley Act, Pub. L. No. 106-102, and regulations adopted to implement that act;

(13) information that originates from, or is intermingled so as to be indistinguishable from, information described in subdivision (12) of this subsection and that a controller or processor collects, processes, uses, or maintains in the same manner as is required under the law and regulations specified in subdivision (12) of this subsection;

(14) a financial institution, credit union, independent trust company, broker-dealer, or investment adviser or a financial institution's, credit union's, independent trust company's, broker-dealer's, or investment adviser's affiliate or subsidiary that is only and directly engaged in financial activities, as described in 12 U.S.C. § 1843(k);

(15) a person regulated pursuant to 8 V.S.A. part 3 (chapters 101–165) other than a person that, alone or in combination with another person, establishes and maintains a self-insurance program and that does not otherwise engage in the business of entering into policies of insurance;

(16) a third-party administrator, as that term is defined in the Third Party Administrator Rule adopted pursuant to 18 V.S.A. § 9417;

(17) personal data of a victim or witness of child abuse, domestic violence, human trafficking, sexual assault, violent felony, or stalking that a victim services organization collects, processes, or maintains in the course of its operation;

(18) a nonprofit organization that is established to detect and prevent fraudulent acts in connection with insurance;

(19) information that is processed for purposes of compliance, enrollment or degree verification, or research services by a nonprofit organization that is established to provide enrollment data reporting services on behalf of postsecondary schools as that term is defined in 16 V.S.A. § 176; or

(20) noncommercial activity of:



(A) a publisher, editor, reporter, or other person who is connected with or employed by a newspaper, magazine, periodical, newsletter, pamphlet, report, or other publication in general circulation;

(B) a radio or television station that holds a license issued by the Federal Communications Commission;

(C) a nonprofit organization that provides programming to radio or television networks; or

(D) an entity that provides an information service, including a press association or wire service.

(b) Controllers, processors, and consumer health data controllers that comply with the verifiable parental consent requirements of COPPA shall be deemed compliant with any obligation to obtain parental consent pursuant to this chapter, including pursuant to section 2420 of this title.

#### § 2418. CONSUMER PERSONAL DATA RIGHTS

(a) A consumer shall have the right to:

(1) confirm whether a controller is processing the consumer's personal data and, if a controller is processing the consumer's personal data, access the personal data;

(2) obtain from a controller a list of third parties to which the controller has disclosed the consumer's personal data or, if the controller does not maintain this information in a format specific to the consumer, a list of third parties to which the controller has disclosed personal data;

(3) correct inaccuracies in the consumer's personal data, taking into account the nature of the personal data and the purposes of the processing of the consumer's personal data;

(4) delete personal data provided by, or obtained about, the consumer unless retention of the personal data is required by law;

(5) if the processing of personal data is done by automatic means, obtain a copy of the consumer's personal data processed by the controller in a portable and, to the extent technically feasible, readily usable format that allows the consumer to transmit the data to another controller without hindrance; and

(6) opt out of the processing of personal data for purposes of:

(A) targeted advertising;

(B) the sale of personal data; or

(C) profiling in furtherance of solely automated decisions that produce legal or similarly significant effects concerning the consumer.

(b)(1) A consumer may exercise rights under this section by submitting a request to a controller using the method that the controller specifies in the privacy notice under section 2419 of this title.

(2) A controller shall not require a consumer to create an account for the purpose described in subdivision (1) of this subsection, but the controller may require the consumer to use an account the consumer previously created.

(3) A parent or legal guardian may exercise rights under this section on behalf of the parent's child or on behalf of a child for whom the guardian has legal responsibility. A guardian or conservator may exercise the rights under this section on behalf of a consumer that is subject to a guardianship, conservatorship, or other protective arrangement.

(4)(A) A consumer may designate another person to act on the consumer's behalf as the consumer's authorized agent for the purpose of exercising the consumer's rights under subdivision (a)(4) or (a)(6) of this section.

(B) The consumer may designate an authorized agent by means of an internet link, browser setting, browser extension, global device setting, or other technology that enables the consumer to exercise the consumer's rights under subdivision (a)(4) or (a)(6) of this section.

(c) Except as otherwise provided in this chapter, a controller shall comply with a request by a consumer to exercise the consumer rights authorized pursuant to this chapter as follows:

(1)(A) A controller shall respond to the consumer without undue delay, but not later than 45 days after receipt of the request.

(B) The controller may extend the response period by 45 additional days when reasonably necessary, considering the complexity and number of the consumer's requests, provided the controller informs the consumer of the extension within the initial 45-day response period and of the reason for the extension.

(2) If a controller declines to take action regarding the consumer's request, the controller shall inform the consumer without undue delay, but not later than 45 days after receipt of the request, of the justification for declining to take action and instructions for how to appeal the decision.

(3)(A) Information provided in response to a consumer request shall be provided by a controller, free of charge, once per consumer during any 12-month period.

(B) If requests from a consumer are manifestly unfounded, excessive, or repetitive, the controller may charge the consumer a reasonable fee to cover the administrative costs of complying with the request or decline to act on the request.

(C) The controller bears the burden of demonstrating the manifestly unfounded, excessive, or repetitive nature of the request.

(4)(A) If a controller is unable to authenticate a request to exercise any of the rights afforded under subdivisions (a)(1)–(5) of this section using commercially reasonable efforts, the controller shall not be required to comply with a request to initiate an action pursuant to this section and shall provide notice to the consumer that the controller is unable to authenticate the request to exercise the right or rights until the consumer provides additional information reasonably necessary to authenticate the consumer and the consumer’s request to exercise the right or rights.

(B) A controller shall not be required to authenticate an opt-out request, but a controller may deny an opt-out request if the controller has a good faith, reasonable, and documented belief that the request is fraudulent.

(C) If a controller denies an opt-out request because the controller believes the request is fraudulent, the controller shall send a notice to the person who made the request disclosing that the controller believes the request is fraudulent, why the controller believes the request is fraudulent, and that the controller shall not comply with the request.

(5) A controller that has obtained personal data about a consumer from a source other than the consumer shall be deemed in compliance with a consumer’s request to delete the data pursuant to subdivision (a)(4) of this section by:

(A) retaining a record of the deletion request and the minimum data necessary for the purpose of ensuring the consumer’s personal data remains deleted from the controller’s records and not using the retained data for any other purpose pursuant to the provisions of this chapter; or

(B) opting the consumer out of the processing of the personal data for any purpose except for those exempted pursuant to the provisions of this chapter.

(6) A controller may not condition the exercise of a right under this section through:

(A) the use of any false, fictitious, fraudulent, or materially misleading statement or representation; or

(B) the employment of any dark pattern.

(d) A controller shall establish a process by means of which a consumer may appeal the controller's refusal to take action on a request under subsection (b) of this section. The controller's process must:

(1) Allow a reasonable period of time after the consumer receives the controller's refusal within which to appeal.

(2) Be conspicuously available to the consumer.

(3) Be similar to the manner in which a consumer must submit a request under subsection (b) of this section.

(4) Require the controller to approve or deny the appeal within 45 days after the date on which the controller received the appeal and to notify the consumer in writing of the controller's decision and the reasons for the decision. If the controller denies the appeal, the notice must provide or specify information that enables the consumer to contact the Attorney General to submit a complaint.

(e) Nothing in this section shall be construed to require a controller to reveal a trade secret.

#### § 2419. DUTIES OF CONTROLLERS

(a) A controller shall:

(1) limit the collection of personal data to what is reasonably necessary and proportionate to provide or maintain a specific product or service requested by the consumer to whom the data pertains;

(2) establish, implement, and maintain reasonable administrative, technical, and physical data security practices to protect the confidentiality, integrity, and accessibility of personal data appropriate to the volume and nature of the personal data at issue;

(3) provide an effective mechanism for a consumer to revoke consent to the controller's processing of the consumer's personal data that is at least as easy as the mechanism by which the consumer provided the consumer's consent; and

(4) upon a consumer's revocation of consent to processing, cease to process the consumer's personal data as soon as practicable, but not later than 15 days after receiving the request.

(b) A controller shall not:

(1) process personal data for a purpose not disclosed in the privacy notice required under subsection (d) of this section unless:

(A) the controller obtains the consumer's consent; or

(B) the purpose is reasonably necessary to and compatible with a disclosed purpose;

(2) process sensitive data about a consumer without first obtaining the consumer's consent or, if the controller knows the consumer is a child, without processing the sensitive data in accordance with COPPA;

(3) sell sensitive data;

(4) discriminate or retaliate against a consumer who exercises a right provided to the consumer under this chapter or refuses to consent to the processing of personal data for a separate product or service, including by:

(A) denying goods or services;

(B) charging different prices or rates for goods or services; or

(C) providing a different level of quality or selection of goods or services to the consumer;

(5) process personal data in violation of State or federal laws that prohibit unlawful discrimination; or

(6)(A) except as provided in subdivision (B) of this subdivision (6), process a consumer's personal data in a manner that discriminates against individuals or otherwise makes unavailable the equal enjoyment of goods or services on the basis of an individual's actual or perceived race, color, sex, sexual orientation or gender identity, physical or mental disability, religion, ancestry, or national origin;

(B) subdivision (A) of this subdivision (6) shall not apply to:

(i) a private establishment, as that term is used in 42 U.S.C. § 2000a(e) (prohibition against discrimination or segregation in places of public accommodation);

(ii) processing for the purpose of a controller's or processor's self-testing to prevent or mitigate unlawful discrimination; or

(iii) processing for the purpose of diversifying an applicant, participant, or consumer pool.

(c) Subsections (a) and (b) of this section shall not be construed to:

(1) require a controller to provide a good or service that requires personal data from a consumer that the controller does not collect or maintain; or

(2) prohibit a controller from offering a different price, rate, level of quality, or selection of goods or services to a consumer, including an offer for no fee or charge, in connection with a consumer's voluntary participation in a

financial incentive program, such as a bona fide loyalty, rewards, premium features, discount, or club card program, provided that the controller may not transfer personal data to a third party as part of the program unless:

(A) the transfer is necessary to enable the third party to provide a benefit to which the consumer is entitled; or

(B)(i) the terms of the program clearly disclose that personal data will be transferred to the third party or to a category of third parties of which the third party belongs; and

(ii) the consumer consents to the transfer.

(d)(1) A controller shall provide to consumers a reasonably accessible, clear, and meaningful privacy notice that:

(A) lists the categories of personal data, including the categories of sensitive data, that the controller processes;

(B) describes the controller's purposes for processing the personal data;

(C) describes how a consumer may exercise the consumer's rights under this chapter, including how a consumer may appeal a controller's denial of a consumer's request under section 2418 of this title;

(D) lists all categories of personal data, including the categories of sensitive data, that the controller shares with third parties;

(E) describes all categories of third parties with which the controller shares personal data at a level of detail that enables the consumer to understand what type of entity each third party is and, to the extent possible, how each third party may process personal data;

(F) specifies an e-mail address or other online method by which a consumer can contact the controller that the controller actively monitors;

(G) identifies the controller, including any business name under which the controller registered with the Secretary of State and any assumed business name that the controller uses in this State;

(H) provides a clear and conspicuous description of any processing of personal data in which the controller engages for the purposes of targeted advertising, sale of personal data to third parties, or profiling the consumer in furtherance of decisions that produce legal or similarly significant effects concerning the consumer, and a procedure by which the consumer may opt out of this type of processing; and

(I) describes the method or methods the controller has established for a consumer to submit a request under subdivision 2418(b)(1) of this title.

(2) The privacy notice shall adhere to the accessibility and usability guidelines recommended under 42 U.S.C. chapter 126 (the Americans with Disabilities Act) and 29 U.S.C. 794d (section 508 of the Rehabilitation Act of 1973), including ensuring readability for individuals with disabilities across various screen resolutions and devices and employing design practices that facilitate easy comprehension and navigation for all users.

(e) The method or methods under subdivision (d)(1)(I) of this section for submitting a consumer's request to a controller must:

(1) take into account the ways in which consumers normally interact with the controller, the need for security and reliability in communications related to the request, and the controller's ability to authenticate the identity of the consumer that makes the request;

(2) provide a clear and conspicuous link to a website where the consumer or an authorized agent may opt out from a controller's processing of the consumer's personal data pursuant to subdivision 2418(a)(6) of this title or, solely if the controller does not have a capacity needed for linking to a webpage, provide another method the consumer can use to opt out; and

(3) allow a consumer or authorized agent to send a signal to the controller that indicates the consumer's preference to opt out of the sale of personal data or targeted advertising pursuant to subdivision 2418(a)(6) of this title by means of a platform, technology, or mechanism that:

(A) does not unfairly disadvantage another controller;

(B) does not use a default setting but instead requires the consumer or authorized agent to make an affirmative, voluntary, and unambiguous choice to opt out;

(C) is consumer friendly and easy for an average consumer to use;

(D) is as consistent as possible with similar platforms, technologies, or mechanisms required under federal or state laws or regulations; and

(E)(i) enables the controller to reasonably determine whether the consumer has made a legitimate request pursuant to subsection 2418(b) of this title to opt out pursuant to subdivision 2418(a)(6) of this title; and

(ii) for purposes of subdivision (i) of this subdivision (C), use of an internet protocol address to estimate the consumer's location shall be considered sufficient to accurately determine residency.

(f) If a consumer or authorized agent uses a method under subdivision (d)(1)(I) of this section to opt out of a controller's processing of the consumer's personal data pursuant to subdivision 2418(a)(6) of this title and the decision conflicts with a consumer's voluntary participation in a bona fide reward, club card, or loyalty program or a program that provides premium features or discounts in return for the consumer's consent to the controller's processing of the consumer's personal data, the controller may either comply with the request to opt out or notify the consumer of the conflict and ask the consumer to affirm that the consumer intends to withdraw from the bona fide reward, club card, or loyalty program or the program that provides premium features or discounts. If the consumer affirms that the consumer intends to withdraw, the controller shall comply with the request to opt out.

#### § 2420. DUTIES OF CONTROLLERS TO MINORS

(a)(1) A controller that offers any online service, product, or feature to a consumer whom the controller knows or consciously avoids knowing is a minor shall use reasonable care to avoid any heightened risk of harm to minors caused by the online service, product, or feature.

(2) In any action brought pursuant to section 2427 of this title, there is a rebuttable presumption that a controller used reasonable care as required under this section if the controller complied with this section.

(b) A controller that offers any online service, product, or feature to a consumer whom the controller knows or consciously avoids knowing is a minor shall not process the minor's personal data for longer than is reasonably necessary to provide the online service, product, or feature.

(c) A controller that offers any online service, product, or feature to a consumer whom the controller knows or consciously avoids knowing is a minor and who has consented under subdivision 2419(b)(2) of this title to the processing of precise geolocation data shall:

(1) collect the minor's precise geolocation data only as reasonably necessary for the controller to provide the online service, product, or feature; and

(2) provide to the minor a conspicuous signal indicating that the controller is collecting the minor's precise geolocation data and make the signal available to the minor for the entire duration of the collection of the minor's precise geolocation data.

#### § 2421. DUTIES OF PROCESSORS



(a) A processor shall adhere to a controller's instructions and shall assist the controller in meeting the controller's obligations under this chapter. In assisting the controller, the processor must:

(1) enable the controller to respond to requests from consumers pursuant to subsection 2418(b) of this title by means that:

(A) take into account how the processor processes personal data and the information available to the processor; and

(B) use appropriate technical and organizational measures to the extent reasonably practicable;

(2) adopt administrative, technical, and physical safeguards that are reasonably designed to protect the security and confidentiality of the personal data the processor processes, taking into account how the processor processes the personal data and the information available to the processor; and

(3) provide information reasonably necessary for the controller to conduct and document data protection assessments.

(b) Processing by a processor must be governed by a contract between the controller and the processor. The contract must:

(1) be valid and binding on both parties;

(2) set forth clear instructions for processing data, the nature and purpose of the processing, the type of data that is subject to processing, and the duration of the processing;

(3) specify the rights and obligations of both parties with respect to the subject matter of the contract;

(4) ensure that each person that processes personal data is subject to a duty of confidentiality with respect to the personal data;

(5) require the processor to delete the personal data or return the personal data to the controller at the controller's direction or at the end of the provision of services, unless a law requires the processor to retain the personal data;

(6) require the processor to make available to the controller, at the controller's request, all information the controller needs to verify that the processor has complied with all obligations the processor has under this chapter;

(7) require the processor to enter into a subcontract with a person the processor engages to assist with processing personal data on the controller's

behalf and in the subcontract require the subcontractor to meet the processor's obligations concerning personal data;

(8)(A) allow the controller, the controller's designee, or a qualified and independent person the processor engages, in accordance with an appropriate and accepted control standard, framework, or procedure, to assess the processor's policies and technical and organizational measures for complying with the processor's obligations under this chapter;

(B) require the processor to cooperate with the assessment; and

(C) at the controller's request, report the results of the assessment to the controller; and

(9) prohibit the processor from combining personal data obtained from the controller with personal data that the processor:

(A) receives from or on behalf of another controller or person; or

(B) collects from an individual.

(c) This section does not relieve a controller or processor from any liability that accrues under this chapter as a result of the controller's or processor's actions in processing personal data.

(d)(1) For purposes of determining obligations under this chapter, a person is a controller with respect to processing a set of personal data and is subject to an action under section 2427 of this title to punish a violation of this chapter, if the person:

(A) does not adhere to a controller's instructions to process the personal data; or

(B) begins at any point to determine the purposes and means for processing the personal data, alone or in concert with another person.

(2) A determination under this subsection is a fact-based determination that must take account of the context in which a set of personal data is processed.

(3) A processor that adheres to a controller's instructions with respect to a specific processing of personal data remains a processor.

#### § 2422. DUTIES OF PROCESSORS TO MINORS

(a) A processor shall adhere to the instructions of a controller and shall:

(1) assist the controller in meeting the controller's obligations under sections 2420 and 2424 of this title, taking into account:

(A) the nature of the processing;

(B) the information available to the processor by appropriate technical and organizational measures; and

(C) whether the assistance is reasonably practicable and necessary to assist the controller in meeting its obligations; and

(2) provide any information that is necessary to enable the controller to conduct and document data protection assessments pursuant to section 2424 of this title.

(b) A contract between a controller and a processor must satisfy the requirements in subsection 2421(b) of this title.

(c) Nothing in this section shall be construed to relieve a controller or processor from the liabilities imposed on the controller or processor by virtue of the controller's or processor's role in the processing relationship as described in sections 2420 and 2424 of this title.

(d) Determining whether a person is acting as a controller or processor with respect to a specific processing of data is a fact-based determination that depends upon the context in which personal data is to be processed. A person that is not limited in the person's processing of personal data pursuant to a controller's instructions, or that fails to adhere to the instructions, is a controller and not a processor with respect to a specific processing of data. A processor that continues to adhere to a controller's instructions with respect to a specific processing of personal data remains a processor. If a processor begins, alone or jointly with others, determining the purposes and means of the processing of personal data, the processor is a controller with respect to the processing and may be subject to an enforcement action under section 2427 of this title.

§ 2423. DATA PROTECTION ASSESSMENTS FOR PROCESSING  
ACTIVITIES THAT PRESENT A HEIGHTENED RISK OF HARM  
TO A CONSUMER

(a) A controller shall conduct and document a data protection assessment for each of the controller's processing activities that presents a heightened risk of harm to a consumer, which, for the purposes of this section, includes:

(1) the processing of personal data for the purposes of targeted advertising;

(2) the sale of personal data;

(3) the processing of personal data for the purposes of profiling, where the profiling presents a reasonably foreseeable risk of:

(A) unfair or deceptive treatment of, or unlawful disparate impact on, consumers;

(B) financial, physical, or reputational injury to consumers;

(C) a physical or other intrusion upon the solitude or seclusion, or the private affairs or concerns, of consumers, where the intrusion would be offensive to a reasonable person; or

(D) other substantial injury to consumers; and

(4) the processing of sensitive data.

(b)(1) Data protection assessments conducted pursuant to subsection (a) of this section shall:

(A) identify the categories of personal data processed, the purposes for processing the personal data, and whether the personal data is being transferred to third parties; and

(B) identify and weigh the benefits that may flow, directly and indirectly, from the processing to the controller, the consumer, other stakeholders, and the public against the potential risks to the consumer associated with the processing, as mitigated by safeguards that can be employed by the controller to reduce the risks.

(2) The controller shall factor into any data protection assessment the use of de-identified data and the reasonable expectations of consumers, as well as the context of the processing and the relationship between the controller and the consumer whose personal data will be processed.

(c)(1) The Attorney General may require that a controller disclose any data protection assessment that is relevant to an investigation conducted by the Attorney General pursuant to section 2427 of this title, and the controller shall make the data protection assessment available to the Attorney General.

(2) The Attorney General may evaluate the data protection assessment for compliance with the responsibilities set forth in this chapter.

(3) Data protection assessments shall be confidential and shall be exempt from disclosure and copying under the Public Records Act.

(4) To the extent any information contained in a data protection assessment disclosed to the Attorney General includes information subject to attorney-client privilege or work product protection, the disclosure shall not constitute a waiver of the privilege or protection.

(d) A single data protection assessment may address a comparable set of processing operations that present a similar heightened risk of harm.

(e) If a controller conducts a data protection assessment for the purpose of complying with another applicable law or regulation, the data protection assessment shall be deemed to satisfy the requirements established in this section if the data protection assessment is reasonably similar in scope and effect to the data protection assessment that would otherwise be conducted pursuant to this section.

(f) Data protection assessment requirements shall apply to processing activities created or generated after July 1, 2025, and are not retroactive.

(g) A controller shall retain for at least five years all data protection assessments the controller conducts under this section.

§ 2424. DATA PROTECTION ASSESSMENTS FOR ONLINE SERVICES, PRODUCTS, OR FEATURES OFFERED TO MINORS

(a) A controller that offers any online service, product, or feature to a consumer whom the controller knows or consciously avoids knowing is a minor shall conduct a data protection assessment for the online service product or feature:

(1) in a manner that is consistent with the requirements established in section 2423 of this title; and

(2) that addresses:

(A) the purpose of the online service, product, or feature;

(B) the categories of a minor's personal data that the online service, product, or feature processes;

(C) the purposes for which the controller processes a minor's personal data with respect to the online service, product, or feature; and

(D) any heightened risk of harm to a minor that is a reasonably foreseeable result of offering the online service, product, or feature to a minor.

(b) A controller that conducts a data protection assessment pursuant to subsection (a) of this section shall review the data protection assessment as necessary to account for any material change to the processing operations of the online service, product, or feature that is the subject of the data protection assessment.

(c) If a controller conducts a data protection assessment pursuant to subsection (a) of this section or a data protection assessment review pursuant to subsection (b) of this section and determines that the online service, product, or feature that is the subject of the assessment poses a heightened risk of harm to a minor, the controller shall establish and implement a plan to mitigate or eliminate the heightened risk.

(d)(1) The Attorney General may require that a controller disclose any data protection assessment pursuant to subsection (a) of this section that is relevant to an investigation conducted by the Attorney General pursuant to section 2427 of this title, and the controller shall make the data protection assessment available to the Attorney General.

(2) The Attorney General may evaluate the data protection assessment for compliance with the responsibilities set forth in this chapter.

(3) Data protection assessments shall be confidential and shall be exempt from disclosure and copying under the Public Records Act.

(4) To the extent any information contained in a data protection assessment disclosed to the Attorney General includes information subject to attorney-client privilege or work product protection, the disclosure shall not constitute a waiver of the privilege or protection.

(e) A single data protection assessment may address a comparable set of processing operations that include similar activities.

(f) If a controller conducts a data protection assessment for the purpose of complying with another applicable law or regulation, the data protection assessment shall be deemed to satisfy the requirements established in this section if the data protection assessment is reasonably similar in scope and effect to the data protection assessment that would otherwise be conducted pursuant to this section.

(g) Data protection assessment requirements shall apply to processing activities created or generated after July 1, 2025, and are not retroactive.

(h) A controller that conducts a data protection assessment pursuant to subsection (a) of this section shall maintain documentation concerning the data protection assessment for the longer of:

(1) three years after the date on which the processing operations cease;  
or

(2) the date the controller ceases offering the online service, product, or feature.

#### § 2425. DE-IDENTIFIED OR PSEUDONYMOUS DATA

(a) A controller in possession of de-identified data shall:

(1) take reasonable measures to ensure that the data cannot be used to re-identify an identified or identifiable individual or be associated with an individual or device that identifies or is linked or reasonably linkable to an individual or household;

(2) publicly commit to maintaining and using de-identified data without attempting to re-identify the data; and

(3) contractually obligate any recipients of the de-identified data to comply with the provisions of this chapter.

(b) This section does not prohibit a controller from attempting to re-identify de-identified data solely for the purpose of testing the controller's methods for de-identifying data.

(c) This chapter shall not be construed to require a controller or processor to:

(1) re-identify de-identified data; or

(2) maintain data in identifiable form, or collect, obtain, retain, or access any data or technology, in order to associate a consumer with personal data in order to authenticate the consumer's request under subsection 2418(b) of this title; or

(3) comply with an authenticated consumer rights request if the controller:

(A) is not reasonably capable of associating the request with the personal data or it would be unreasonably burdensome for the controller to associate the request with the personal data;

(B) does not use the personal data to recognize or respond to the specific consumer who is the subject of the personal data or associate the personal data with other personal data about the same specific consumer; and

(C) does not sell or otherwise voluntarily disclose the personal data to any third party, except as otherwise permitted in this section.

(d) The rights afforded under subdivisions 2418(a)(1)–(5) of this title shall not apply to pseudonymous data in cases where the controller is able to demonstrate that any information necessary to identify the consumer is kept separately and is subject to effective technical and organizational controls that prevent the controller from accessing the information.

(e) A controller that discloses or transfers pseudonymous data or de-identified data shall exercise reasonable oversight to monitor compliance with any contractual commitments to which the pseudonymous data or de-identified data is subject and shall take appropriate steps to address any breaches of those contractual commitments.

## § 2426. CONSTRUCTION OF DUTIES OF CONTROLLERS AND PROCESSORS

(a) This chapter shall not be construed to restrict a controller's, processor's, or consumer health data controller's ability to:

(1) comply with federal, state, or municipal laws, ordinances, or regulations;

(2) comply with a civil, criminal, or regulatory inquiry, investigation, subpoena, or summons by federal, state, municipal, or other governmental authorities;

(3) cooperate with law enforcement agencies concerning conduct or activity that the controller, processor, or consumer health data controller reasonably and in good faith believes may violate federal, state, or municipal laws, ordinances, or regulations;

(4) carry out obligations under a contract under subsection 2421(b) of this title for a federal or State agency or local unit of government;

(5) investigate, establish, exercise, prepare for, or defend legal claims;

(6) provide a product or service specifically requested by the consumer to whom the personal data pertains consistent with subdivision 2419(a)(1) of this title;

(7) perform under a contract to which a consumer is a party, including fulfilling the terms of a written warranty;

(8) take steps at the request of a consumer prior to entering into a contract;

(9) take immediate steps to protect an interest that is essential for the life or physical safety of the consumer or another individual, and where the processing cannot be manifestly based on another legal basis;

(10) prevent, detect, protect against, or respond to a network security or physical security incident, including an intrusion or trespass, medical alert, or fire alarm;

(11) prevent, detect, protect against, or respond to identity theft, fraud, harassment, malicious or deceptive activity, or any criminal activity targeted at or involving the controller or processor or its services, preserve the integrity or security of systems, or investigate, report, or prosecute those responsible for the action;

(12) assist another controller, processor, consumer health data controller, or third party with any of the obligations under this chapter; or



(13) process personal data for reasons of public interest in the area of public health, community health, or population health, but solely to the extent that the processing is:

(A) subject to suitable and specific measures to safeguard the rights of the consumer whose personal data is being processed; and

(B) under the responsibility of a professional subject to confidentiality obligations under federal, state, or local law.

(b) The obligations imposed on controllers, processors, or consumer health data controllers under this chapter shall not restrict a controller's, processor's, or consumer health data controller's ability to collect, use, or retain data for internal use to:

(1) conduct internal research to develop, improve, or repair products, services, or technology;

(2) effectuate a product recall; or

(3) identify and repair technical errors that impair existing or intended functionality.

(c)(1) The obligations imposed on controllers, processors, or consumer health data controllers under this chapter shall not apply where compliance by the controller, processor, or consumer health data controller with this chapter would violate an evidentiary privilege under the laws of this State.

(2) This chapter shall not be construed to prevent a controller, processor, or consumer health data controller from providing personal data concerning a consumer to a person covered by an evidentiary privilege under the laws of the State as part of a privileged communication.

(3) Nothing in this chapter modifies 2020 Acts and Resolves No. 166, Sec. 14 or authorizes the use of facial recognition technology by law enforcement.

(d)(1) A controller, processor, or consumer health data controller that discloses personal data to a processor or third-party controller pursuant to this chapter shall not be deemed to have violated this chapter if the processor or third-party controller that receives and processes the personal data violates this chapter, provided, at the time the disclosing controller, processor, or consumer health data controller disclosed the personal data, the disclosing controller, processor, or consumer health data controller did not have actual knowledge that the receiving processor or third-party controller would violate this chapter.

(2) A third-party controller or processor receiving personal data from a controller, processor, or consumer health data controller in compliance with

this chapter is not in violation of this chapter for the transgressions of the controller, processor, or consumer health data controller from which the third-party controller or processor receives the personal data.

(e) This chapter shall not be construed to:

(1) impose any obligation on a controller, processor, or consumer health data controller that adversely affects the rights or freedoms of any person, including the rights of any person:

(A) to freedom of speech or freedom of the press guaranteed in the First Amendment to the U.S. Constitution; or

(B) under 12 V.S.A. § 1615; or

(2) apply to any person's processing of personal data in the course of the person's purely personal or household activities.

(f)(1) Personal data processed by a controller or consumer health data controller pursuant to this section may be processed to the extent that the processing is:

(A)(i) reasonably necessary and proportionate to the purposes listed in this section; or

(ii) in the case of sensitive data, strictly necessary to the purposes listed in this section; and

(B) adequate, relevant, and limited to what is necessary in relation to the specific purposes listed in this section.

(2)(A) Personal data collected, used, or retained pursuant to subsection (b) of this section shall, where applicable, take into account the nature and purpose or purposes of the collection, use, or retention.

(B) Personal data collected, used, or retained pursuant to subsection (b) of this section shall be subject to reasonable administrative, technical, and physical measures to protect the confidentiality, integrity, and accessibility of the personal data and to reduce reasonably foreseeable risks of harm to consumers relating to the collection, use, or retention of personal data.

(g) If a controller or consumer health data controller processes personal data pursuant to an exemption in this section, the controller or consumer health data controller bears the burden of demonstrating that the processing qualifies for the exemption and complies with the requirements in subsection (f) of this section.

(h) Processing personal data for the purposes expressly identified in this section shall not solely make a legal entity a controller or consumer health data controller with respect to the processing.

(i) This chapter shall not be construed to require a controller, processor, or consumer health data controller to implement an age-verification or age-gating system or otherwise affirmatively collect the age of consumers. A controller, processor, or consumer health data controller that chooses to conduct commercially reasonable age estimation to determine which consumers are minors is not liable for an erroneous age estimation.

#### § 2427. ENFORCEMENT

(a) A person who violates this chapter or rules adopted pursuant to this chapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title, and the Attorney General shall have exclusive authority to enforce such violations except as provided in subsection (d) of this section.

(b) The Attorney General has the same authority to adopt rules to implement the provisions of this section and to conduct civil investigations, enter into assurances of discontinuance, bring civil actions, and take other enforcement actions as provided under chapter 63, subchapter 1 of this title.

(c)(1) If the Attorney General determines that a violation of this chapter or rules adopted pursuant to this chapter may be cured, the Attorney General may, prior to initiating any action for the violation, issue a notice of violation extending a 60-day cure period to the controller, processor, or consumer health data controller alleged to have violated this chapter or rules adopted pursuant to this chapter.

(2) The Attorney General may, in determining whether to grant a controller, processor, or consumer health data controller the opportunity to cure an alleged violation described in subdivision (1) of this subsection, consider:

(A) the number of violations;

(B) the size and complexity of the controller, processor, or consumer health data controller;

(C) the nature and extent of the controller's, processor's, or consumer health data controller's processing activities;

(D) the substantial likelihood of injury to the public;

(E) the safety of persons or property;

(F) whether the alleged violation was likely caused by human or technical error; and

(G) the sensitivity of the data.

(d)(1) The private right of action available to a consumer for violations of this chapter or rules adopted pursuant to this chapter shall be exclusively as provided under this subsection.

(2) A consumer who is harmed by a data broker's or large data holder's violation of subdivision 2419(b)(2) of this title, subdivision 2419(b)(3) of this title, or section 2428 of this title may bring an action under subsection 2461(b) of this title for the violation, but the right available under subsection 2461(b) of this title shall not be available for a violation of any other provision of this chapter or rules adopted pursuant to this chapter.

(e) Annually, on or before February 1, the Attorney General shall submit a report to the General Assembly disclosing:

(1) the number of notices of violation the Attorney General has issued;

(2) the nature of each violation;

(3) the number of violations that were cured during the available cure period;

(4) the number of actions brought under subsection (c) of this section;

(5) the proportion of actions brought under subsection (c) of this section that proceed to trial;

(6) the data brokers or large data holders most frequently sued under subsection (c) of this section; and

(7) any other matter the Attorney General deems relevant for the purposes of the report.

#### § 2428. CONFIDENTIALITY OF CONSUMER HEALTH DATA

Except as provided in subsections 2417(a) and (b) of this title and section 2426 of this title, no person shall:

(1) provide any employee or contractor with access to consumer health data unless the employee or contractor is subject to a contractual or statutory duty of confidentiality;

(2) provide any processor with access to consumer health data unless the person and processor comply with section 2421 of this title; or

(3) use a geofence to establish a virtual boundary that is within 1,850 feet of any health care facility, including any mental health facility or

reproductive or sexual health facility, for the purpose of identifying, tracking, collecting data from, or sending any notification to a consumer regarding the consumer's consumer health data.

Sec. 2. PUBLIC EDUCATION AND OUTREACH; ATTORNEY GENERAL STUDY

(a) The Attorney General shall implement a comprehensive public education, outreach, and assistance program for controllers and processors as those terms are defined in 9 V.S.A. § 2415. The program shall focus on:

(1) the requirements and obligations of controllers and processors under the Vermont Data Privacy Act;

(2) data protection assessments under 9 V.S.A. § 2421;

(3) enhanced protections that apply to children, minors, sensitive data, or consumer health data as those terms are defined in 9 V.S.A. § 2415;

(4) a controller's obligations to law enforcement agencies and the Attorney General's office;

(5) methods for conducting data inventories; and

(6) any other matters the Attorney General deems appropriate.

(b) The Attorney General shall provide guidance to controllers for establishing data privacy notices and opt-out mechanisms, which may be in the form of templates.

(c) The Attorney General shall implement a comprehensive public education, outreach, and assistance program for consumers as that term is defined in 9 V.S.A. § 2415. The program shall focus on:

(1) the rights afforded consumers under the Vermont Data Privacy Act, including:

(A) the methods available for exercising data privacy rights; and

(B) the opt-out mechanism available to consumers;

(2) the obligations controllers have to consumers;

(3) different treatment of children, minors, and other consumers under the act, including the different consent mechanisms in place for children and other consumers;

(4) understanding a privacy notice provided under the Act;

(5) the different enforcement mechanisms available under the Act, including the consumer's private right of action; and

(6) any other matters the Attorney General deems appropriate.

(d) The Attorney General shall cooperate with states with comparable data privacy regimes to develop any outreach, assistance, and education programs, where appropriate.

(e) The Attorney General may have the assistance of the Vermont Law and Graduate School in developing education, outreach, and assistance programs under this section.

(f) On or before December 15, 2026, the Attorney General shall assess the effectiveness of the implementation of the Act and submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs with its findings and recommendations, including any proposed draft legislation to address issues that have arisen since implementation.

Sec. 3. 9 V.S.A. chapter 62 is amended to read:

## CHAPTER 62. PROTECTION OF PERSONAL INFORMATION

### Subchapter 1. General Provisions

#### § 2430. DEFINITIONS

As used in this chapter:

(1) “Biometric data” shall have the same meaning as in section 2415 of this title.

(2)(A) “Brokered personal information” means one or more of the following computerized data elements about a consumer, if categorized or organized for dissemination to third parties:

- (i) name;
- (ii) address;
- (iii) date of birth;
- (iv) place of birth;
- (v) mother’s maiden name;

~~(vi) unique biometric data generated from measurements or technical analysis of human body characteristics used by the owner or licensee of the data to identify or authenticate the consumer, such as a fingerprint, retina or iris image, or other unique physical representation or digital representation of biometric data;~~

(vii) name or address of a member of the consumer’s immediate family or household;

(viii) Social Security number or other government-issued identification number; or

(ix) other information that, alone or in combination with the other information sold or licensed, would allow a reasonable person to identify the consumer with reasonable certainty.

(B) “Brokered personal information” does not include publicly available information to the extent that it is related to a consumer’s business or profession.

~~(2)~~(3) “Business” means a controller, a consumer health data controller, a processor, or a commercial entity, including a sole proprietorship, partnership, corporation, association, limited liability company, or other group, however organized and whether or not organized to operate at a profit, including a financial institution organized, chartered, or holding a license or authorization certificate under the laws of this State, any other state, the United States, or any other country, or the parent, affiliate, or subsidiary of a financial institution, but does not include the State, a State agency, any political subdivision of the State, or a vendor acting solely on behalf of, and at the direction of, the State.

~~(3)~~(4) “Consumer” means an individual residing in this State.

(5) “Consumer health data controller” has the same meaning as in section 2415 of this title.

(6) “Controller” has the same meaning as in section 2415 of this title.

~~(4)~~(7)(A) “Data broker” means a business, or unit or units of a business, separately or together, that knowingly collects and sells or licenses to third parties the brokered personal information of a consumer with whom the business does not have a direct relationship.

(B) Examples of a direct relationship with a business include if the consumer is a past or present:

(i) customer, client, subscriber, user, or registered user of the business’s goods or services;

(ii) employee, contractor, or agent of the business;

(iii) investor in the business; or

(iv) donor to the business.

(C) The following activities conducted by a business, and the collection and sale or licensing of brokered personal information incidental to conducting these activities, do not qualify the business as a data broker:

(i) developing or maintaining third-party e-commerce or application platforms;

(ii) providing 411 directory assistance or directory information services, including name, address, and telephone number, on behalf of or as a function of a telecommunications carrier;

(iii) providing publicly available information related to a consumer's business or profession; or

(iv) providing publicly available information via real-time or near-real-time alert services for health or safety purposes.

(D) The phrase "sells or licenses" does not include:

(i) a one-time or occasional sale of assets of a business as part of a transfer of control of those assets that is not part of the ordinary conduct of the business; or

(ii) a sale or license of data that is merely incidental to the business.

~~(5)(8)~~(A) "Data broker security breach" means an unauthorized acquisition or a reasonable belief of an unauthorized acquisition of more than one element of brokered personal information maintained by a data broker when the brokered personal information is not encrypted, redacted, or protected by another method that renders the information unreadable or unusable by an unauthorized person.

(B) "Data broker security breach" does not include good faith but unauthorized acquisition of brokered personal information by an employee or agent of the data broker for a legitimate purpose of the data broker, provided that the brokered personal information is not used for a purpose unrelated to the data broker's business or subject to further unauthorized disclosure.

(C) In determining whether brokered personal information has been acquired or is reasonably believed to have been acquired by a person without valid authorization, a data broker may consider the following factors, among others:

(i) indications that the brokered personal information is in the physical possession and control of a person without valid authorization, such as a lost or stolen computer or other device containing brokered personal information;

(ii) indications that the brokered personal information has been downloaded or copied;



(iii) indications that the brokered personal information was used by an unauthorized person, such as fraudulent accounts opened or instances of identity theft reported; or

(iv) that the brokered personal information has been made public.

~~(6)~~(9) “Data collector” means a person who, for any purpose, whether by automated collection or otherwise, handles, collects, disseminates, or otherwise deals with personally identifiable information, and includes the State, State agencies, political subdivisions of the State, public and private universities, privately and publicly held corporations, limited liability companies, financial institutions, and retail operators.

~~(7)~~(10) “Encryption” means use of an algorithmic process to transform data into a form in which the data is rendered unreadable or unusable without use of a confidential process or key.

~~(8)~~(11) “License” means a grant of access to, or distribution of, data by one person to another in exchange for consideration. A use of data for the sole benefit of the data provider, where the data provider maintains control over the use of the data, is not a license.

~~(9)~~(12) “Login credentials” means a consumer’s user name or e-mail address, in combination with a password or an answer to a security question, that together permit access to an online account.

~~(10)~~(13)(A) “Personally identifiable information” means a consumer’s first name or first initial and last name in combination with one or more of the following digital data elements, when the data elements are not encrypted, redacted, or protected by another method that renders them unreadable or unusable by unauthorized persons:

(i) a Social Security number;

(ii) a driver license or nondriver State identification card number, individual taxpayer identification number, passport number, military identification card number, or other identification number that originates from a government identification document that is commonly used to verify identity for a commercial transaction;

(iii) a financial account number or credit or debit card number, if the number could be used without additional identifying information, access codes, or passwords;

(iv) a password, personal identification number, or other access code for a financial account;

~~(v) unique biometric data generated from measurements or technical analysis of human body characteristics used by the owner or licensee of the data to identify or authenticate the consumer, such as a fingerprint, retina or iris image, or other unique physical representation or digital representation of biometric data;~~

(vi) genetic information; and

(vii)(I) health records or records of a wellness program or similar program of health promotion or disease prevention;

(II) a health care professional's medical diagnosis or treatment of the consumer; or

(III) a health insurance policy number.

(B) "Personally identifiable information" does not mean publicly available information that is lawfully made available to the general public from federal, State, or local government records.

(14) "Processor" has the same meaning as in section 2415 of this title.

~~(11)~~(15) "Record" means any material on which written, drawn, spoken, visual, or electromagnetic information is recorded or preserved, regardless of physical form or characteristics.

~~(12)~~(16) "Redaction" means the rendering of data so that the data are unreadable or are truncated so that ~~no~~ not more than the last four digits of the identification number are accessible as part of the data.

~~(13)~~(17)(A) "Security breach" means unauthorized acquisition of electronic data, or a reasonable belief of an unauthorized acquisition of electronic data, that compromises the security, confidentiality, or integrity of a consumer's personally identifiable information or login credentials maintained by a data collector.

(B) "Security breach" does not include good faith but unauthorized acquisition of personally identifiable information or login credentials by an employee or agent of the data collector for a legitimate purpose of the data collector, provided that the personally identifiable information or login credentials are not used for a purpose unrelated to the data collector's business or subject to further unauthorized disclosure.

(C) In determining whether personally identifiable information or login credentials have been acquired or is reasonably believed to have been acquired by a person without valid authorization, a data collector may consider the following factors, among others:

- 
- (i) indications that the information is in the physical possession and control of a person without valid authorization, such as a lost or stolen computer or other device containing information;
  - (ii) indications that the information has been downloaded or copied;
  - (iii) indications that the information was used by an unauthorized person, such as fraudulent accounts opened or instances of identity theft reported; or
  - (iv) that the information has been made public.

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Subchapter 2. ~~Security Breach Notice Act~~ Data Security Breaches

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§ 2436. NOTICE OF DATA BROKER SECURITY BREACH

(a) Short title. This section shall be known as the Data Broker Security Breach Notice Act.

(b) Notice of breach.

(1) Except as otherwise provided in subsection (c) of this section, any data broker shall notify the consumer that there has been a data broker security breach following discovery or notification to the data broker of the breach. Notice of the security breach shall be made in the most expedient time possible and without unreasonable delay, but not later than 45 days after the discovery or notification, consistent with the legitimate needs of the law enforcement agency, as provided in subdivisions (3) and (4) of this subsection, or with any measures necessary to determine the scope of the security breach and restore the reasonable integrity, security, and confidentiality of the data system.

(2) A data broker shall provide notice of a breach to the Attorney General as follows:

(A)(i) The data broker shall notify the Attorney General of the date of the security breach and the date of discovery of the breach and shall provide a preliminary description of the breach within 14 business days, consistent with the legitimate needs of the law enforcement agency, as provided in subdivisions (3) and (4) of this subsection (b), after the data broker's discovery of the security breach or when the data broker provides notice to consumers pursuant to this section, whichever is sooner.

(ii) If the date of the breach is unknown at the time notice is sent to the Attorney General, the data broker shall send the Attorney General the date of the breach as soon as it is known.

(iii) Unless otherwise ordered by a court of this State for good cause shown, a notice provided under this subdivision (2)(A) shall not be disclosed to any person other than the authorized agent or representative of the Attorney General, a State's Attorney, or another law enforcement officer engaged in legitimate law enforcement activities without the consent of the data broker.

(B)(i) When the data broker provides notice of the breach pursuant to subdivision (1) of this subsection (b), the data broker shall notify the Attorney General of the number of Vermont consumers affected, if known to the data broker, and shall provide a copy of the notice provided to consumers under subdivision (1) of this subsection (b).

(ii) The data broker may send to the Attorney General a second copy of the consumer notice, from which is redacted the type of brokered personal information that was subject to the breach, that the Attorney General shall use for any public disclosure of the breach.

(3) The notice to a consumer required by this subsection shall be delayed upon request of a law enforcement agency. A law enforcement agency may request the delay if it believes that notification may impede a law enforcement investigation or a national or Homeland Security investigation or jeopardize public safety or national or Homeland Security interests. In the event law enforcement makes the request for a delay in a manner other than in writing, the data broker shall document the request contemporaneously in writing and include the name of the law enforcement officer making the request and the officer's law enforcement agency engaged in the investigation. A law enforcement agency shall promptly notify the data broker in writing when the law enforcement agency no longer believes that notification may impede a law enforcement investigation or a national or Homeland Security investigation, or jeopardize public safety or national or Homeland Security interests. The data broker shall provide notice required by this section without unreasonable delay upon receipt of a written communication, which includes facsimile or electronic communication, from the law enforcement agency withdrawing its request for delay.

(4) The notice to a consumer required in subdivision (1) of this subsection shall be clear and conspicuous. A notice to a consumer of a security breach involving brokered personal information shall include a description of each of the following, if known to the data broker:

- 
- (A) the incident in general terms;
  - (B) the type of brokered personal information that was subject to the security breach;
  - (C) the general acts of the data broker to protect the brokered personal information from further security breach;
  - (D) a telephone number, toll-free if available, that the consumer may call for further information and assistance;
  - (E) advice that directs the consumer to remain vigilant by reviewing account statements and monitoring free credit reports; and
  - (F) the approximate date of the data broker security breach.

(5) A data broker may provide notice of a security breach involving brokered personal information to a consumer by two or more of the following methods:

- (A) written notice mailed to the consumer's residence;
- (B) electronic notice, for those consumers for whom the data broker has a valid e-mail address, if:
  - (i) the data broker's primary method of communication with the consumer is by electronic means, the electronic notice does not request or contain a hypertext link to a request that the consumer provide personal information, and the electronic notice conspicuously warns consumers not to provide personal information in response to electronic communications regarding security breaches; or
  - (ii) the notice is consistent with the provisions regarding electronic records and signatures for notices in 15 U.S.C. § 7001;
- (C) telephonic notice, provided that telephonic contact is made directly with each affected consumer and not through a prerecorded message; or
- (D) notice by publication in a newspaper of statewide circulation in the event the data broker cannot effectuate notice by any other means.

(c) Exception.

(1) Notice of a security breach pursuant to subsection (b) of this section is not required if the data broker establishes that misuse of brokered personal information is not reasonably possible and the data broker provides notice of the determination that the misuse of the brokered personal information is not reasonably possible pursuant to the requirements of this subsection. If the data broker establishes that misuse of the brokered personal information is not

reasonably possible, the data broker shall provide notice of its determination that misuse of the brokered personal information is not reasonably possible and a detailed explanation for said determination to the Vermont Attorney General. The data broker may designate its notice and detailed explanation to the Vermont Attorney General as a trade secret if the notice and detailed explanation meet the definition of trade secret contained in 1 V.S.A. § 317(c)(9).

(2) If a data broker established that misuse of brokered personal information was not reasonably possible under subdivision (1) of this subsection and subsequently obtains facts indicating that misuse of the brokered personal information has occurred or is occurring, the data broker shall provide notice of the security breach pursuant to subsection (b) of this section.

(d) Waiver. Any waiver of the provisions of this subchapter is contrary to public policy and is void and unenforceable.

(e) Enforcement.

(1) With respect to a controller or processor other than a controller or processor licensed or registered with the Department of Financial Regulation under Title 8 or this title, the Attorney General and State's Attorney shall have sole and full authority to investigate potential violations of this chapter and to enforce, prosecute, obtain, and impose remedies for a violation of this chapter or any rules or regulations adopted pursuant to this chapter as the Attorney General and State's Attorney have under chapter 63 of this title. The Attorney General may refer the matter to the State's Attorney in an appropriate case. The Superior Courts shall have jurisdiction over any enforcement matter brought by the Attorney General or a State's Attorney under this subsection.

(2) With respect to a controller or processor that is licensed or registered with the Department of Financial Regulation under Title 8 or this title, the Department of Financial Regulation shall have the full authority to investigate potential violations of this chapter and to enforce, prosecute, obtain, and impose remedies for a violation of this chapter or any rules or regulations adopted pursuant to this chapter, as the Department has under Title 8 or this title or any other applicable law or regulation.

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#### Subchapter 5. Data Brokers

#### § 2446. DATA BROKERS; ANNUAL REGISTRATION

(a) Annually, on or before January 31 following a year in which a person meets the definition of data broker as provided in section 2430 of this title, a data broker shall:

- (1) register with the Secretary of State;
- (2) pay a registration fee of \$100.00; and
- (3) provide the following information:

(A) the name and primary physical, e-mail, and ~~Internet~~ internet addresses of the data broker;

(B) if the data broker permits a consumer to opt out of the data broker's collection of brokered personal information, opt out of its databases, or opt out of certain sales of data:

(i) the method for requesting an opt-out;

(ii) if the opt-out applies to only certain activities or sales, which ones; and

(iii) whether the data broker permits a consumer to authorize a third party to perform the opt-out on the consumer's behalf;

(C) a statement specifying the data collection, databases, or sales activities from which a consumer may not opt out;

(D) a statement whether the data broker implements a purchaser credentialing process;

(E) the number of data broker security breaches that the data broker has experienced during the prior year, and if known, the total number of consumers affected by the breaches;

(F) where the data broker has actual knowledge that it possesses the brokered personal information of minors, a separate statement detailing the data collection practices, databases, sales activities, and opt-out policies that are applicable to the brokered personal information of minors; and

(G) any additional information or explanation the data broker chooses to provide concerning its data collection practices.

(b) A data broker that fails to register pursuant to subsection (a) of this section is liable to the State for:

(1) a civil penalty of ~~\$50.00~~ \$125.00 for each day, ~~not to exceed a total of \$10,000.00 for each year,~~ it fails to register pursuant to this section;

(2) an amount equal to the fees due under this section during the period it failed to register pursuant to this section; and

(3) other penalties imposed by law.

(c) A data broker that omits required information from its registration shall file an amendment to include the omitted information within 30 business days following notification of the omission and is liable to the State for a civil penalty of \$1,000.00 per day for each day thereafter.

(d) A data broker that files materially incorrect information in its registration:

(1) is liable to the State for a civil penalty of \$25,000.00; and

(2) if it fails to correct the false information within 30 business days after discovery or notification of the incorrect information, an additional civil penalty of \$1,000.00 per day for each day thereafter that it fails to correct the information.

(e) The Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed in this section and to seek appropriate injunctive relief.

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#### § 2448. DATA BROKERS; CREDENTIALING

(a) Credentialing.

(1) A data broker shall maintain reasonable procedures designed to ensure that the brokered personal information it discloses is used for a legitimate and legal purpose.

(2) These procedures shall require that prospective users of the information identify themselves, certify the purposes for which the information is sought, and certify that the information shall be used for no other purpose.

(3) A data broker shall make a reasonable effort to verify the identity of a new prospective user and the uses certified by the prospective user prior to furnishing the user brokered personal information.

(4) A data broker shall not furnish brokered personal information to any person if it has reasonable grounds for believing that the brokered personal information will not be used for a legitimate and legal purpose.

#### Sec. 4. STUDY; DATA BROKERS; OPT OUT

On or before January 1, 2025, the Secretary of State, in collaboration with the Agency of Digital Services, the Attorney General, and interested parties, shall review and report their findings and recommendations to the House Committee on Commerce and Economic Development and the Senate



Committee on Economic Development, Housing and General Affairs concerning one or more mechanisms for Vermont consumers to opt out of the collection, retention, and sale of brokered personal information, including:

(1) an individual opt out that requires a data broker to allow a consumer to opt out of its data collection, retention, and sales practices through a request made directly to the data broker; and

(2) specifically considering the rules, procedures, and framework for implementing the “accessible deletion mechanism” by the California Privacy Protection Agency that takes effect on January 1, 2026, and approaches in other jurisdictions if applicable:

(A) how to design and implement a State-facilitated general opt out mechanism;

(B) the associated implementation and operational costs;

(C) mitigation of security risks; and

(D) other relevant considerations.

Sec. 5. 9 V.S.A. § 2416(a) is amended to read:

(a) Except as provided in subsection (b) of this section, this chapter applies to a person that conducts business in this State or a person that produces products or services that are targeted to residents of this State and that during the preceding calendar year:

(1) controlled or processed the personal data of not fewer than ~~25,000~~ 12,500 consumers, excluding personal data controlled or processed solely for the purpose of completing a payment transaction; or

(2) controlled or processed the personal data of not fewer than ~~12,500~~ 6,250 consumers and derived more than ~~25~~ 20 percent of the person’s gross revenue from the sale of personal data.

Sec. 6. 9 V.S.A. § 2416(a) is amended to read:

(a) Except as provided in subsection (b) of this section, this chapter applies to a person that conducts business in this State or a person that produces products or services that are targeted to residents of this State and that during the preceding calendar year:

(1) controlled or processed the personal data of not fewer than ~~12,500~~ 6,250 consumers, excluding personal data controlled or processed solely for the purpose of completing a payment transaction; or

(2) controlled or processed the personal data of not fewer than 6,250 3,125 consumers and derived more than 20 percent of the person's gross revenue from the sale of personal data.

Sec. 7. 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)(A) "Affiliate" means a legal entity that shares common branding with another legal entity or controls, is controlled by, or is under common control with another legal entity.

(B) As used in subdivision (A) of this subdivision (1), "control" or "controlled" means:

(i) ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a company;

(ii) control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or

(iii) the power to exercise controlling influence over the management of a company.

(2) "Age-appropriate" means a recognition of the distinct needs and diversities of minor consumers at different age ranges. In order to help support the design of online services, products, and features, covered businesses 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 or age or "approaching adulthood."

(3) "Age estimation" means a process that estimates that a user is likely to be of a certain age, fall within an age range, or is over or under a certain age.

(A) Age estimation methods include:

(i) analysis of behavioral and environmental data the covered business already collects about its users;

(ii) comparing the way a user interacts with a device or with users of the same age;

(iii) metrics derived from motion analysis; and

(iv) testing a user's capacity or knowledge.

(B) Age estimation does not require certainty, and if a covered business estimates a user's age for the purpose of advertising or marketing, that estimation may also be used to comply with this act.

(4) "Age verification" means a system that relies on hard identifiers or verified sources of identification to confirm a user has reached a certain age, including government-issued identification or a credit card.

(5) "Business associate" has the same meaning as in HIPAA.

(6) "Collect" means buying, renting, gathering, obtaining, receiving, or accessing any personal data by any means. This includes receiving data from the consumer, either actively or passively, or by observing the consumer's behavior.

(7)(A) "Consumer" means an individual who is a resident of the State.

(B) "Consumer" does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit, or government agency whose communications or transactions with the covered business occur solely within the context of that individual's role with the company, partnership, sole proprietorship, nonprofit, or government agency.

(8) "Covered business" means a sole proprietorship, partnership, limited liability company, corporation, association, other legal entity, or an affiliate thereof, that conducts business in this State or that produces online products, services, or features that are targeted to residents of this State and that:

(A) collects consumers' personal data or has consumers' personal data collected on its behalf by a third party;

(B) alone or jointly with others determines the purposes and means of the processing of consumers personal data; and

(C) alone or in combination annually buys, receives for commercial purposes, sells, or shares for commercial purposes, alone or in combination, the personal data of at least 50 percent of its consumers.

(9) "Covered entity" has the same meaning as in HIPAA.

(10) "Dark pattern" means a user interface designed or manipulated with the substantial effect of subverting or impairing user autonomy, decision making, or choice, and includes any practice the Federal Trade Commission refers to as a "dark pattern."

(11) “Default” means a preselected option adopted by the covered business for the online service, product, or feature.

(12) “De-identified data” means data that does not identify and cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable individual, or a device linked to the individual, if the covered business that possesses the data:

(A)(i) takes reasonable measures to ensure that the data cannot be used to re-identify an identified or identifiable individual or be associated with an individual or device that identifies or is linked or reasonably linkable to an individual or household;

(ii) for purposes of this subdivision (A), “reasonable measures” shall include the de-identification requirements set forth under 45 C.F.R. § 164.514 (other requirements relating to uses and disclosures of protected health information);

(B) publicly commits to process 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.

(13) “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.

(14) “Identified or identifiable individual” means an individual who can be readily identified, directly or indirectly, including by reference to an identifier such as a name, an identification number, specific geolocation data, or an online identifier.

(15)(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.

(16)(A) “Minor consumer” means an individual under 18 years of age who is a resident of the State.

(B) “Minor consumer” does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit, or government agency whose communications or transactions with the controller

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occur solely within the context of that individual's role with the company, partnership, sole proprietorship, nonprofit, or government agency.

(17) "Online service, product, or feature" means a digital product that is accessible to the public via the internet, including a website or application, and 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 47 C.F.R. § 54.400; or

(C) the sale, delivery, or use of a physical product.

(18)(A) "Personal data" means any information, including derived data and unique identifiers, that is linked or reasonably linkable to an identified or identifiable individual or to a device that identifies, is linked to, or is reasonably linkable to one or more identified or identifiable individuals in a household.

(B) Personal data does not include de-identified data or publicly available information.

(19) "Process" or "processing" means 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.

(20) "Processor" means a person who processes personal data on behalf of a covered business.

(21) "Profiling" means any form of automated processing performed on personal data to evaluate, analyze, or predict personal aspects related to an identified or identifiable individual's economic situation, health, personal preferences, interests, reliability, behavior, location, or movements.

(22) "Publicly available information" means information that:

(A) is lawfully made available through federal, state, or local government records; or

(B) a covered business has a reasonable basis to believe that the minor consumer has lawfully made available to the general public through widely distributed media.

(23) "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 minor consumers two through under 18 years of age;

(C) the online service, product, or feature contains advertisements marketed to minor consumers;

(D) the audience of the online service, product, or feature is determined, based on internal company research, to be composed of at least two percent minor consumers two through under 18 years of age; or

(E) the covered business 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 business 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.

(24)(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; or

(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.

(25) “Third party” means a natural or legal person, public authority, agency, or body other than the minor consumer or the covered business.

#### § 2449b. EXCLUSIONS

This subchapter does not apply to:

(1) a federal, state, tribal, or local government entity in the ordinary course of its operation;

(2) protected health information that a covered entity or business associate processes in accordance with, or documents that a covered entity or business associate creates for the purpose of complying with, HIPAA;

(3) information used only for public health activities and purposes described in 45 C.F.R. § 164.512;

(4) information that identifies a consumer in connection with:

(A) activities that are subject to the Federal Policy for the Protection of Human Subjects as set forth in 45 C.F.R. Part 46;

(B) research on human subjects undertaken in accordance with good clinical practice guidelines issued by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use;

(C) activities that are subject to the protections provided in 21 C.F.R. 50 and 21 C.F.R. Part 56; or

(D) research conducted in accordance with the requirements set forth in subdivisions (A)–(C) of this subdivision (4) or otherwise in accordance with State or federal law; and

(5) an entity 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 business 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 business to the detriment of a minor consumer and will not result in:

(1) reasonably foreseeable emotional distress as defined in 13 V.S.A. § 1061(2) to a minor consumer;

(2) the encouragement of excessive or compulsive use of the online service, product, or feature by a minor consumer; or

(3) discrimination against the minor consumer based upon race, ethnicity, sex, disability, sexual orientation, gender identity, gender expression, or national origin.

#### § 2449d. COVERED BUSINESS OBLIGATIONS

(a) A covered business that is reasonably likely to be accessed and 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 and prominently;

(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 business;

(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 business 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 businesses 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 BUSINESS PROHIBITIONS

(a) A covered business that is reasonably likely to be accessed and 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) use dark patterns; or



(5) 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 subchapter.

#### § 2449f. ATTORNEY GENERAL ENFORCEMENT

(a) A covered business 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 shall have the same authority under this subchapter to make rules, conduct civil investigations, bring civil actions, and enter into assurances of discontinuance as provided under chapter 63 of this title.

#### § 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.

(3) Require a covered business to implement an age verification requirement. The obligations imposed under this act should be done with age estimation techniques and do not require age verification.

#### § 2449h. RIGHTS AND FREEDOMS OF MINOR CONSUMERS

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 minor consumers or be construed to discriminate against the minor consumer based on race, ethnicity, sex, disability, sexual orientation, gender identity, gender expression, or national origin.

#### Sec. 8. EFFECTIVE DATES

(a) This section and Secs. 2 (public education and outreach), 3 (protection of personal information), and 4 (data broker opt-out study) shall take effect on July 1, 2024.

(b) Secs. 1 (Vermont Data Privacy Act) and 7 (Age-Appropriate Design Code) shall take effect on July 1, 2025.

(c) Sec. 5 (Vermont Data Privacy Act middle applicability threshold) shall take effect on July 1, 2026.

(d) Sec. 6 (Vermont Data Privacy Act low applicability threshold) shall take effect on July 1, 2027.

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

“An act relating to enhancing consumer privacy and the age-appropriate design code.”

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, Senators Ram Hinsdale, Bray, Clarkson, Hashim and Lyons moved that the Senate concur in the House proposal of amendment to the Senate proposal of amendment with further proposals of amendment as follows:

First: In Sec. 1, 9 V.S.A. chapter 61A, by striking out section 2415 in its entirety and inserting in lieu thereof a new section 2415 to read as follows:

#### § 2415. DEFINITIONS

As used in this chapter:

(1)(A) “Affiliate” means a legal entity that shares common branding with another legal entity or controls, is controlled by, or is under common control with another legal entity.

(B) As used in subdivision (A) of this subdivision (1), “control” or “controlled” means:

(i) ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a company;

(ii) control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or

(iii) the power to exercise controlling influence over the management of a company.

(2) “Age estimation” means a process that estimates that a consumer is likely to be of a certain age, fall within an age range, or is over or under a certain age.

(A) Age estimation methods include:

(i) analysis of behavioral and environmental data the controller already collects about its consumers;

(ii) comparing the way a consumer interacts with a device or with consumers of the same age;

(iii) metrics derived from motion analysis; and

(iv) testing a consumer's capacity or knowledge.

(B) Age estimation does not require certainty, and if a controller estimates a consumer's age for the purpose of advertising or marketing, that estimation may also be used to comply with this chapter.

(3) "Age verification" means a system that relies on hard identifiers or verified sources of identification to confirm a consumer has reached a certain age, including government-issued identification or a credit card.

(4) "Authenticate" means to use reasonable means to determine that a request to exercise any of the rights afforded under subdivisions 2418(a)(1)–(5) of this title is being made by, or on behalf of, the consumer who is entitled to exercise the consumer rights with respect to the personal data at issue.

(5)(A) "Biometric data" means data generated from the technological processing of an individual's unique biological, physical, or physiological characteristics that is linked or reasonably linkable to an individual, including:

(i) iris or retina scans;

(ii) fingerprints;

(iii) facial or hand mapping, geometry, or templates;

(iv) vein patterns;

(v) voice prints; and

(vi) gait or personally identifying physical movement or patterns.

(B) "Biometric data" does not include:

(i) a digital or physical photograph;

(ii) an audio or video recording; or

(iii) any data generated from a digital or physical photograph, or an audio or video recording, unless such data is generated to identify a specific individual.

(6) "Broker-dealer" has the same meaning as in 9 V.S.A. § 5102.

(7) "Business associate" has the same meaning as in HIPAA.

(8) "Child" has the same meaning as in COPPA.

(9)(A) "Consent" means a clear affirmative act signifying a consumer's freely given, specific, informed, and unambiguous agreement to allow the processing of personal data relating to the consumer.

(B) “Consent” may include a written statement, including by electronic means, or any other unambiguous affirmative action.

(C) “Consent” does not include:

(i) acceptance of a general or broad terms of use or similar document that contains descriptions of personal data processing along with other, unrelated information;

(ii) hovering over, muting, pausing, or closing a given piece of content; or

(iii) agreement obtained through the use of dark patterns.

(10)(A) “Consumer” means an individual who is a resident of the State.

(B) “Consumer” does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit, or government agency whose communications or transactions with the controller occur solely within the context of that individual’s role with the company, partnership, sole proprietorship, nonprofit, or government agency.

(11) “Consumer health data” means any personal data that a controller uses to identify a consumer’s physical or mental health condition or diagnosis, including gender-affirming health data and reproductive or sexual health data.

(12) “Consumer health data controller” means any controller that, alone or jointly with others, determines the purpose and means of processing consumer health data.

(13) “Consumer reporting agency” has the same meaning as in the Fair Credit Reporting Act, 15 U.S.C. § 1681a(f);

(14) “Controller” means a person who, alone or jointly with others, determines the purpose and means of processing personal data.

(15) “COPPA” means the Children’s Online Privacy Protection Act of 1998, 15 U.S.C. § 6501–6506, and any regulations, rules, guidance, and exemptions promulgated pursuant to the act, as the act and regulations, rules, guidance, and exemptions may be amended.

(16) “Covered entity” has the same meaning as in HIPAA.

(17) “Credit union” has the same meaning as in 8 V.S.A. § 30101.

(18) “Dark pattern” means a user interface designed or manipulated with the substantial effect of subverting or impairing user autonomy, decision-making, or choice and includes any practice the Federal Trade Commission refers to as a “dark pattern.”

(19) “Data broker” has the same meaning as in section 2430 of this title.

(20) “Decisions that produce legal or similarly significant effects concerning the consumer” means decisions made by the controller that result in the provision or denial by the controller of financial or lending services, housing, insurance, education enrollment or opportunity, criminal justice, employment opportunities, health care services, or access to essential goods or services.

(21) “De-identified data” means data that does not identify and cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable individual, or a device linked to the individual, if the controller that possesses the data:

(A)(i) takes reasonable measures to ensure that the data cannot be used to re-identify an identified or identifiable individual or be associated with an individual or device that identifies or is linked or reasonably linkable to an individual or household;

(ii) for purposes of this subdivision (A), “reasonable measures” shall include the de-identification requirements set forth under 45 C.F.R. § 164.514 (other requirements relating to uses and disclosures of protected health information);

(B) publicly commits to process the data only in a de-identified fashion and not attempt to re-identify the data; and

(C) contractually obligates any recipients of the data to satisfy the criteria set forth in subdivisions (A) and (B) of this subdivision (21).

(22) “Financial institution”:

(A) as used in subdivision 2417(a)(12) of this title, has the same meaning as in 15 U.S.C. § 6809; and

(B) as used in subdivision 2417(a)(14) of this title, has the same meaning as in 8 V.S.A. § 11101.

(23) “Gender-affirming health care services” has the same meaning as in 1 V.S.A. § 150.

(24) “Gender-affirming health data” means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer’s receipt of, gender-affirming health care services, including:

(A) precise geolocation data that is used for determining a consumer’s attempt to acquire or receive gender-affirming health care services;

(B) efforts to research or obtain gender-affirming health care services; and

(C) any gender-affirming health data that is derived from nonhealth information.

(25) “Genetic data” means any data, regardless of its format, that results from the analysis of a biological sample of an individual, or from another source enabling equivalent information to be obtained, and concerns genetic material, including deoxyribonucleic acids (DNA), ribonucleic acids (RNA), genes, chromosomes, alleles, genomes, alterations or modifications to DNA or RNA, single nucleotide polymorphisms (SNPs), epigenetic markers, uninterpreted data that results from analysis of the biological sample or other source, and any information extrapolated, derived, or inferred therefrom.

(26) “Geofence” means any technology that uses global positioning coordinates, cell tower connectivity, cellular data, radio frequency identification, wireless fidelity technology data, or any other form of location detection, or any combination of such coordinates, connectivity, data, identification, or other form of location detection, to establish a virtual boundary.

(27) “Health care component” has the same meaning as in HIPAA.

(28) “Health care facility” has the same meaning as in 18 V.S.A. § 9432.

(29) “Heightened risk of harm to a minor” means processing the personal data of a minor in a manner that presents a reasonably foreseeable risk of:

(A) unfair or deceptive treatment of, or unlawful disparate impact on, a minor;

(B) financial, physical, or reputational injury to a minor;

(C) unintended disclosure of the personal data of a minor; or

(D) any physical or other intrusion upon the solitude or seclusion, or the private affairs or concerns, of a minor if the intrusion would be offensive to a reasonable person.

(30) “HIPAA” means the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191, and any regulations promulgated pursuant to the act, as may be amended.

(31) “Hybrid entity” has the same meaning as in HIPAA.

(32) “Identified or identifiable individual” means an individual who can be readily identified, directly or indirectly, including by reference to an

identifier such as a name, an identification number, specific geolocation data, or an online identifier.

(33) “Independent trust company” has the same meaning as in 8 V.S.A. § 2401.

(34) “Investment adviser” has the same meaning as in 9 V.S.A. § 5102.

(35) “Large data holder” means a person that during the preceding calendar year processed the personal data of not fewer than 100,000 consumers.

(36) “Mental health facility” means any health care facility in which at least 70 percent of the health care services provided in the facility are mental health services.

(37) “Nonpublic personal information” has the same meaning as in 15 U.S.C. § 6809.

(38)(A) “Online service, product, or feature” means any service, product, or feature that is provided online, except as provided in subdivision (B) of this subdivision (38).

(B) “Online service, product, or feature” does not include:

(i) telecommunications service, as that term is defined in the Communications Act of 1934, 47 U.S.C. § 153;

(ii) broadband internet access service, as that term is defined in 47 C.F.R. § 54.400 (universal service support); or

(iii) the delivery or use of a physical product.

(39) “Patient identifying information” has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records).

(40) “Patient safety work product” has the same meaning as in 42 C.F.R. § 3.20 (patient safety organizations and patient safety work product).

(41)(A) “Personal data” means any information, including derived data and unique identifiers, that is linked or reasonably linkable to an identified or identifiable individual or to a device that identifies, is linked to, or is reasonably linkable to one or more identified or identifiable individuals in a household.

(B) “Personal data” does not include de-identified data or publicly available information.

(42)(A) “Precise geolocation data” means information derived from technology that can precisely and accurately identify the specific location of a consumer within a radius of 1,850 feet.

(B) “Precise geolocation data” does not include:

- (i) the content of communications;
- (ii) data generated by or connected to an advanced utility metering infrastructure system; or
- (iii) data generated by equipment used by a utility company.

(43) “Process” or “processing” means 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, or modification of personal data.

(44) “Processor” means a person who processes personal data on behalf of a controller.

(45) “Profiling” means any form of automated processing performed on personal data to evaluate, analyze, or predict personal aspects related to an identified or identifiable individual’s economic situation, health, personal preferences, interests, reliability, behavior, location, or movements.

(46) “Protected health information” has the same meaning as in HIPAA.

(47) “Pseudonymous data” means personal data that cannot be attributed to a specific individual without the use of additional information, provided the additional information is kept separately and is subject to appropriate technical and organizational measures to ensure that the personal data is not attributed to an identified or identifiable individual.

(48)(A) “Publicly available information” means information that:

- (i) is lawfully made available through federal, state, or local government records; or
- (ii) a controller has a reasonable basis to believe that the consumer has lawfully made available to the general public through widely distributed media.

(B) “Publicly available information” does not include biometric data collected by a business about a consumer without the consumer’s knowledge.

(49) “Qualified service organization” has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records).

(50) “Reproductive or sexual health care” has the same meaning as “reproductive health care services” in 1 V.S.A. § 150(c)(1).

(51) “Reproductive or sexual health data” means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer’s receipt of, reproductive or sexual health care.



(52) “Reproductive or sexual health facility” means any health care facility in which at least 70 percent of the health care-related services or products rendered or provided in the facility are reproductive or sexual health care.

(53)(A) “Sale of personal data” means the exchange of a consumer’s personal data by the controller to a third party for monetary or other valuable consideration or otherwise for a commercial purpose.

(B) As used in this subdivision (53), “commercial purpose” means to advance a person’s commercial or economic interests, such as by inducing another person to buy, rent, lease, join, subscribe to, provide, or exchange products, goods, property, information, or services, or enabling or effecting, directly or indirectly, a commercial transaction.

(C) “Sale of personal data” does not include:

(i) the disclosure of personal data to a processor that processes the personal data on behalf of the controller;

(ii) the disclosure of personal data to a third party for purposes of providing a product or service requested by the consumer;

(iii) the disclosure or transfer of personal data to an affiliate of the controller;

(iv) the disclosure of personal data where the consumer directs the controller to disclose the personal data or intentionally uses the controller to interact with a third party;

(v) the disclosure of personal data that the consumer:

(I) intentionally made available to the general public via a channel of mass media; and

(II) did not restrict to a specific audience; or

(vi) the disclosure or transfer of personal data to a third party as an asset that is part of a merger, acquisition, bankruptcy or other transaction, or a proposed merger, acquisition, bankruptcy, or other transaction, in which the third party assumes control of all or part of the controller’s assets.

(54) “Sensitive data” means personal data that:

(A) reveals a consumer’s government-issued identifier, such as a Social Security number, passport number, state identification card, or driver’s license number, that is not required by law to be publicly displayed;

(B) reveals a consumer's racial or ethnic origin, national origin, citizenship or immigration status, religious or philosophical beliefs, or union membership;

(C) reveals a consumer's sexual orientation, sex life, sexuality, or status as transgender or nonbinary;

(D) reveals a consumer's status as a victim of a crime;

(E) is financial information, including a consumer's tax return and account number, financial account log-in, financial account, debit card number, or credit card number in combination with any required security or access code, password, or credentials allowing access to an account;

(F) is consumer health data;

(G) is personal data collected and analyzed concerning consumer health data or personal data that describes or reveals a past, present, or future mental or physical health condition, treatment, disability, or diagnosis, including pregnancy, to the extent the personal data is not used by the controller to identify a specific consumer's physical or mental health condition or diagnosis;

(H) is biometric or genetic data;

(I) is personal data collected from a known minor; or

(J) is precise geolocation data.

(55)(A) "Targeted advertising" means the targeting of an advertisement to a consumer based on the consumer's activity with one or more businesses, distinctly branded websites, applications, or services, other than the controller, distinctly branded website, application, or service with which the consumer is intentionally interacting.

(B) "Targeted advertising" does not include:

(i) an advertisement based on activities within the controller's own commonly branded website or online application;

(ii) an advertisement based on the context of a consumer's current search query, visit to a website, or use of an online application;

(iii) an advertisement directed to a consumer in response to the consumer's request for information or feedback; or

(iv) processing personal data solely to measure or report advertising frequency, performance, or reach.

(56) “Third party” means a natural or legal person, public authority, agency, or body, other than the consumer, controller, or processor or an affiliate of the processor or the controller.

(57) “Trade secret” has the same meaning as in section 4601 of this title.

(58) “Victim services organization” means a nonprofit organization that is established to provide services to victims or witnesses of child abuse, domestic violence, human trafficking, sexual assault, violent felony, or stalking.

Second: In Sec. 1, 9 V.S.A. chapter 61A, by striking out subsection 2417(a) in its entirety and inserting in lieu thereof a new subsection 2417(a) to read as follows:

(a) This chapter does not apply to:

(1) a federal, State, tribal, or local government entity in the ordinary course of its operation;

(2) a covered entity that is not a hybrid entity, any health care component of a hybrid entity, or a business associate;

(3) information used only for public health activities and purposes described in 45 C.F.R. § 164.512 (disclosure of protected health information without authorization);

(4) information that identifies a consumer in connection with:

(A) activities that are subject to the Federal Policy for the Protection of Human Subjects, codified as 45 C.F.R. Part 46 (HHS protection of human subjects) and in various other federal regulations;

(B) research on human subjects undertaken in accordance with good clinical practice guidelines issued by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use;

(C) activities that are subject to the protections provided in 21 C.F.R. Parts 50 (FDA clinical investigations protection of human subjects) and 56 (FDA clinical investigations institutional review boards); or

(D) research conducted in accordance with the requirements set forth in subdivisions (A) through (C) of this subdivision (a)(4) or otherwise in accordance with applicable law;

(5) patient identifying information that is collected and processed in accordance with 42 C.F.R. Part 2 (confidentiality of substance use disorder patient records);

(6) patient safety work product that is created for purposes of improving patient safety under 42 C.F.R. Part 3 (patient safety organizations and patient safety work product);

(7) information or documents created for the purposes of the Healthcare Quality Improvement Act of 1986, 42 U.S.C. § 11101–11152, and regulations adopted to implement that act;

(8) information that originates from, or is intermingled so as to be indistinguishable from, or that is treated in the same manner as information described in subdivisions (2)–(7) of this subsection that a covered entity, business associate, or a qualified service organization program creates, collects, processes, uses, or maintains in the same manner as is required under the laws, regulations, and guidelines described in subdivisions (2)–(7) of this subsection;

(9) information processed or maintained solely in connection with, and for the purpose of, enabling:

(A) an individual’s employment or application for employment;

(B) an individual’s ownership of, or function as a director or officer of, a business entity;

(C) an individual’s contractual relationship with a business entity;

(D) an individual’s receipt of benefits from an employer, including benefits for the individual’s dependents or beneficiaries; or

(E) notice of an emergency to persons that an individual specifies;

(10) any activity that involves collecting, maintaining, disclosing, selling, communicating, or using information for the purpose of evaluating a consumer’s creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living if done strictly in accordance with the provisions of the Fair Credit Reporting Act, 15 U.S.C. § 1681–1681x, as may be amended, by:

(A) a consumer reporting agency;

(B) a person who furnishes information to a consumer reporting agency under 15 U.S.C. § 1681s-2 (responsibilities of furnishers of information to consumer reporting agencies); or

(C) a person who uses a consumer report as provided in 15 U.S.C. § 1681b(a)(3) (permissible purposes of consumer reports);

(11) information collected, processed, sold, or disclosed under and in accordance with the following laws and regulations:

(A) the Driver's Privacy Protection Act of 1994, 18 U.S.C. § 2721–2725;

(B) the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g, and regulations adopted to implement that act;

(C) the Airline Deregulation Act, Pub. L. No. 95-504, only to the extent that an air carrier collects information related to prices, routes, or services, and only to the extent that the provisions of the Airline Deregulation Act preempt this chapter;

(D) the Farm Credit Act, Pub. L. No. 92-181, as may be amended;

(E) federal policy under 21 U.S.C. § 830 (regulation of listed chemicals and certain machines);

(12) nonpublic personal information that is processed by a financial institution subject to the Gramm-Leach-Bliley Act, Pub. L. No. 106-102, and regulations adopted to implement that act;

(13) information that originates from, or is intermingled so as to be indistinguishable from, information described in subdivision (12) of this subsection and that a controller or processor collects, processes, uses, or maintains in the same manner as is required under the law and regulations specified in subdivision (12) of this subsection;

(14) a financial institution, credit union, independent trust company, broker-dealer, or investment adviser or a financial institution's, credit union's, independent trust company's, broker-dealer's, or investment adviser's affiliate or subsidiary that is only and directly engaged in financial activities, as described in 12 U.S.C. § 1843(k);

(15) a person regulated pursuant to 8 V.S.A. part 3 (chapters 101–165) other than a person that, alone or in combination with another person, establishes and maintains a self-insurance program and that does not otherwise engage in the business of entering into policies of insurance;

(16) a third-party administrator, as that term is defined in the Third Party Administrator Rule adopted pursuant to 18 V.S.A. § 9417;

(17) personal data of a victim or witness of child abuse, domestic violence, human trafficking, sexual assault, violent felony, or stalking that a victim services organization collects, processes, or maintains in the course of its operation;

(18) a nonprofit organization that is established to detect and prevent fraudulent acts in connection with insurance;

(19) information that is processed for purposes of compliance, enrollment or degree verification, or research services by a nonprofit organization that is established to provide enrollment data reporting services on behalf of postsecondary schools as that term is defined in 16 V.S.A. § 176;

(20) noncommercial activity of:

(A) a publisher, editor, reporter, or other person who is connected with or employed by a newspaper, magazine, periodical, newsletter, pamphlet, report, or other publication in general circulation;

(B) a radio or television station that holds a license issued by the Federal Communications Commission;

(C) a nonprofit organization that provides programming to radio or television networks; or

(D) an entity that provides an information service, including a press association or wire service; or

(21) a public utility subject to the jurisdiction of the Public Utility Commission under 30 V.S.A. § 203, but only until July 1, 2026.

Third: In Sec. 1, 9 V.S.A. chapter 61A, by striking out section 2427 in its entirety and inserting in lieu thereof a new section 2427 to read as follows:

§ 2427. ENFORCEMENT; ATTORNEY GENERAL'S POWERS

(a) A person who violates this chapter or rules adopted pursuant to this chapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title, provided that a private right of action under subsection 2461(b) of this title shall not apply to the violation, and the Attorney General shall have exclusive authority to enforce such violations.

(b) The Attorney General has the same authority to adopt rules to implement the provisions of this section and to conduct civil investigations, enter into assurances of discontinuance, bring civil actions, and take other enforcement actions as provided under chapter 63, subchapter 1 of this title.

(c)(1) If the Attorney General determines that a violation of this chapter or rules adopted pursuant to this chapter may be cured, the Attorney General may, prior to initiating any action for the violation, issue a notice of violation extending a 60-day cure period to the controller, processor, or consumer health data controller alleged to have violated this chapter or rules adopted pursuant to this chapter.

(2) The Attorney General may, in determining whether to grant a controller, processor, or consumer health data controller the opportunity to

cure an alleged violation described in subdivision (1) of this subsection, consider:

(A) the number of violations;

(B) the size and complexity of the controller, processor, or consumer health data controller;

(C) the nature and extent of the controller's, processor's, or consumer health data controller's processing activities;

(D) the substantial likelihood of injury to the public;

(E) the safety of persons or property;

(F) whether the alleged violation was likely caused by human or technical error; and

(G) the sensitivity of the data.

(d) Annually, on or before February 1, the Attorney General shall submit a report to the General Assembly disclosing:

(1) the number of notices of violation the Attorney General has issued;

(2) the nature of each violation;

(3) the number of violations that were cured during the available cure period; and

(4) any other matter the Attorney General deems relevant for the purposes of the report.

Fourth: In Sec. 7, 9 V.S.A. chapter 62, subchapter 6, in subdivision 2449a(10), following "designed or manipulated with the", by striking out the word "substantial"

Fifth: By striking out Sec. 8, effective dates, in its entirety and inserting in lieu thereof five new sections to be Secs. 8–12 to read as follows:

#### Sec. 8. STUDY; VERMONT DATA PRIVACY ACT

On or before January 15, 2026, the Attorney General shall review and report their findings and recommendations to the House Committees on Commerce and Economic Development, on Health Care, and on Judiciary and the Senate Committees on Economic Development, Housing and General Affairs, on Health and Welfare, and on Judiciary concerning policy recommendations for improving data privacy in Vermont through:

(1) development of legislative language for implementing a private right of action in 9 V.S.A. chapter 61A , giving consideration to other state approaches and including through structuring:

(A) violations giving rise to a private right of action in a manner that addresses the gravest harms to consumers;

(B) applicability thresholds to ensure that the private right of action does not harm good-faith actors or small Vermont businesses;

(C) damages that balance the consumer interest in enforcing the consumer's personal data rights against the incentives a private right of action may provide to litigants with frivolous claims; and

(D) other mechanisms to ensure the private right of action is targeted to address persons engaging in unfair or deceptive acts;

(2) addressing the scope of health care exemptions under 9 V.S.A. § 2417(a)(2)–(8), including based on:

(I) research on the effects on the health care industry of the health-related data-level exemptions under the Oregon Consumer Privacy Act;

(II) economic analysis of compliance costs for the health care industry; and

(III) an analysis of health-related entities excluded from the health care exemptions under 9 V.S.A. § 2417(a)(2)–(8); and

(3) analysis of the data security implications of implementation of the Vermont Data Privacy Act.

Sec. 9. 9 V.S.A. § 2427 is amended to read:

§ 2427. ENFORCEMENT; ATTORNEY GENERAL'S POWERS

(a) A person who violates this chapter or rules adopted pursuant to this chapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title, ~~provided that a consumer private right of action under subsection 2461(b) of this title shall not apply to the violation,~~ and the Attorney General shall have exclusive authority to enforce such violations except as provided in subsection (d) of this section.

(b) The Attorney General has the same authority to adopt rules to implement the provisions of this section and to conduct civil investigations, enter into assurances of discontinuance, bring civil actions, and take other enforcement actions as provided under chapter 63, subchapter 1 of this title.

(c)(1) If the Attorney General determines that a violation of this chapter or rules adopted pursuant to this chapter may be cured, the Attorney General may, prior to initiating any action for the violation, issue a notice of violation extending a 60-day cure period to the controller, processor, or consumer health



data controller alleged to have violated this chapter or rules adopted pursuant to this chapter.

(2) The Attorney General may, in determining whether to grant a controller, processor, or consumer health data controller the opportunity to cure an alleged violation described in subdivision (1) of this subsection, consider:

(A) the number of violations;

(B) the size and complexity of the controller, processor, or consumer health data controller;

(C) the nature and extent of the controller's, processor's, or consumer health data controller's processing activities;

(D) the substantial likelihood of injury to the public;

(E) the safety of persons or property;

(F) whether the alleged violation was likely caused by human or technical error; and

(G) the sensitivity of the data.

(d)(1) The private right of action available to a consumer for violations of this chapter or rules adopted pursuant to this chapter shall be exclusively as provided under this subsection.

(2) A consumer who is harmed by a data broker's or large data holder's violation of subdivision 2419(b)(2) of this title, subdivision 2419(b)(3) of this title, or section 2428 of this title may bring an action under subsection 2461(b) of this title for the violation, but the right available under subsection 2461(b) of this title shall not be available for a violation of any other provision of this chapter or rules adopted pursuant to this chapter.

(e) Annually, on or before February 1, the Attorney General shall submit a report to the General Assembly disclosing:

(1) the number of notices of violation the Attorney General has issued;

(2) the nature of each violation;

(3) the number of violations that were cured during the available cure period; and

(4) the number of actions brought under subsection (d) of this section;

(5) the proportion of actions brought under subsection (d) of this section that proceed to trial;

(6) the data brokers or large data holders most frequently sued under subsection (d) of this section; and

~~(4)~~(7) any other matter the Attorney General deems relevant for the purposes of the report.

Sec. 10. 9 V.S.A. § 2427 is amended to read:

§ 2427. ENFORCEMENT; ATTORNEY GENERAL'S POWERS

(a) A person who violates this chapter or rules adopted pursuant to this chapter commits an unfair and deceptive act in commerce in violation of section 2453 of this title, provided that a consumer private right of action under subsection 2461(b) of this title shall not apply to the violation, and the Attorney General shall have exclusive authority to enforce such violations ~~except as provided in subsection (d) of this section~~.

(b) The Attorney General has the same authority to adopt rules to implement the provisions of this section and to conduct civil investigations, enter into assurances of discontinuance, bring civil actions, and take other enforcement actions as provided under chapter 63, subchapter 1 of this title.

(c)(1) If the Attorney General determines that a violation of this chapter or rules adopted pursuant to this chapter may be cured, the Attorney General may, prior to initiating any action for the violation, issue a notice of violation extending a 60-day cure period to the controller, processor, or consumer health data controller alleged to have violated this chapter or rules adopted pursuant to this chapter.

(2) The Attorney General may, in determining whether to grant a controller, processor, or consumer health data controller the opportunity to cure an alleged violation described in subdivision (1) of this subsection, consider:

- (A) the number of violations;
- (B) the size and complexity of the controller, processor, or consumer health data controller;
- (C) the nature and extent of the controller's, processor's, or consumer health data controller's processing activities;
- (D) the substantial likelihood of injury to the public;
- (E) the safety of persons or property;
- (F) whether the alleged violation was likely caused by human or technical error; and
- (G) the sensitivity of the data.

~~(d)(1) The private right of action available to a consumer for violations of this chapter or rules adopted pursuant to this chapter shall be exclusively as provided under this subsection.~~

~~(2) A consumer who is harmed by a data broker's or large data holder's violation of subdivision 2419(b)(2) of this title, subdivision 2419(b)(3) of this title, or section 2428 of this title may bring an action under subsection 2461(b) of this title for the violation, but the right available under subsection 2461(b) of this title shall not be available for a violation of any other provision of this chapter or rules adopted pursuant to this chapter.~~

~~(e) Annually, on or before February 1, the Attorney General shall submit a report to the General Assembly disclosing:~~

- ~~(1) the number of notices of violation the Attorney General has issued;~~
- ~~(2) the nature of each violation;~~
- ~~(3) the number of violations that were cured during the available cure period; and~~
- ~~(4) the number of actions brought under subsection (d) of this section;~~
- ~~(5) the proportion of actions brought under subsection (d) of this section that proceed to trial;~~
- ~~(6) the data brokers or large data holders most frequently sued under subsection (d) of this section; and~~
- ~~(7) any other matter the Attorney General deems relevant for the purposes of the report.~~

Sec. 11. 9 V.S.A. § 2417(a) is amended to read:

- (a) This chapter does not apply to:
  - (1) a federal, State, tribal, or local government entity in the ordinary course of its operation;
  - (2) a covered entity that is not a hybrid entity, any health care component of a hybrid entity, or a business associate;
  - (3) information used only for public health activities and purposes described in 45 C.F.R. § 164.512 (disclosure of protected health information without authorization);
  - (4) information that identifies a consumer in connection with:
    - (A) activities that are subject to the Federal Policy for the Protection of Human Subjects, codified as 45 C.F.R. Part 46 (HHS protection of human subjects) and in various other federal regulations;

(B) research on human subjects undertaken in accordance with good clinical practice guidelines issued by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use;

(C) activities that are subject to the protections provided in 21 C.F.R. Parts 50 (FDA clinical investigations protection of human subjects) and 56 (FDA clinical investigations institutional review boards); or

(D) research conducted in accordance with the requirements set forth in subdivisions (A) through (C) of this subdivision (a)(4) or otherwise in accordance with applicable law;

(5) patient identifying information that is collected and processed in accordance with 42 C.F.R. Part 2 (confidentiality of substance use disorder patient records);

(6) patient safety work product that is created for purposes of improving patient safety under 42 C.F.R. Part 3 (patient safety organizations and patient safety work product);

(7) information or documents created for the purposes of the Healthcare Quality Improvement Act of 1986, 42 U.S.C. § 11101–11152, and regulations adopted to implement that act;

(8) information that originates from, or is intermingled so as to be indistinguishable from, or that is treated in the same manner as information described in subdivisions (2)–(7) of this subsection that a covered entity, business associate, or a qualified service organization program creates, collects, processes, uses, or maintains in the same manner as is required under the laws, regulations, and guidelines described in subdivisions (2)–(7) of this subsection;

(9) information processed or maintained solely in connection with, and for the purpose of, enabling:

(A) an individual's employment or application for employment;

(B) an individual's ownership of, or function as a director or officer of, a business entity;

(C) an individual's contractual relationship with a business entity;

(D) an individual's receipt of benefits from an employer, including benefits for the individual's dependents or beneficiaries; or

(E) notice of an emergency to persons that an individual specifies;

(10) any activity that involves collecting, maintaining, disclosing, selling, communicating, or using information for the purpose of evaluating a consumer's creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living if done strictly in accordance with the provisions of the Fair Credit Reporting Act, 15 U.S.C. § 1681–1681x, as may be amended, by:

(A) a consumer reporting agency;

(B) a person who furnishes information to a consumer reporting agency under 15 U.S.C. § 1681s-2 (responsibilities of furnishers of information to consumer reporting agencies); or

(C) a person who uses a consumer report as provided in 15 U.S.C. § 1681b(a)(3) (permissible purposes of consumer reports);

(11) information collected, processed, sold, or disclosed under and in accordance with the following laws and regulations:

(A) the Driver's Privacy Protection Act of 1994, 18 U.S.C. § 2721–2725;

(B) the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g, and regulations adopted to implement that act;

(C) the Airline Deregulation Act, Pub. L. No. 95-504, only to the extent that an air carrier collects information related to prices, routes, or services, and only to the extent that the provisions of the Airline Deregulation Act preempt this chapter;

(D) the Farm Credit Act, Pub. L. No. 92-181, as may be amended;

(E) federal policy under 21 U.S.C. § 830 (regulation of listed chemicals and certain machines);

(12) nonpublic personal information that is processed by a financial institution subject to the Gramm-Leach-Bliley Act, Pub. L. No. 106-102, and regulations adopted to implement that act;

(13) information that originates from, or is intermingled so as to be indistinguishable from, information described in subdivision (12) of this subsection and that a controller or processor collects, processes, uses, or maintains in the same manner as is required under the law and regulations specified in subdivision (12) of this subsection;

(14) a financial institution, credit union, independent trust company, broker-dealer, or investment adviser or a financial institution's, credit union's, independent trust company's, broker-dealer's, or investment adviser's affiliate

or subsidiary that is only and directly engaged in financial activities, as described in 12 U.S.C. § 1843(k);

(15) a person regulated pursuant to 8 V.S.A. part 3 (chapters 101–165) other than a person that, alone or in combination with another person, establishes and maintains a self-insurance program and that does not otherwise engage in the business of entering into policies of insurance;

(16) a third-party administrator, as that term is defined in the Third Party Administrator Rule adopted pursuant to 18 V.S.A. § 9417;

(17) personal data of a victim or witness of child abuse, domestic violence, human trafficking, sexual assault, violent felony, or stalking that a victim services organization collects, processes, or maintains in the course of its operation;

(18) a nonprofit organization that is established to detect and prevent fraudulent acts in connection with insurance;

(19) information that is processed for purposes of compliance, enrollment or degree verification, or research services by a nonprofit organization that is established to provide enrollment data reporting services on behalf of postsecondary schools as that term is defined in 16 V.S.A. § 176; or

(20) noncommercial activity of:

(A) a publisher, editor, reporter, or other person who is connected with or employed by a newspaper, magazine, periodical, newsletter, pamphlet, report, or other publication in general circulation;

(B) a radio or television station that holds a license issued by the Federal Communications Commission;

(C) a nonprofit organization that provides programming to radio or television networks; or

(D) an entity that provides an information service, including a press association or wire service; ~~or~~

~~(21) a public utility subject to the jurisdiction of the Public Utility Commission under 30 V.S.A. § 203, but only until July 1, 2026.~~

## Sec. 12. EFFECTIVE DATES

(a) This section and Secs. 2 (public education and outreach), 3 (protection of personal information), 4 (data broker opt-out study), and 8 (study; Vermont Data Privacy Act) shall take effect on July 1, 2024.

(b) Secs. 1 (Vermont Data Privacy Act) and 7 (Age-Appropriate Design Code) shall take effect on July 1, 2025.

(c) Secs. 5 (Vermont Data Privacy Act middle applicability threshold) and 11 (utilities exemption repeal) shall take effect on July 1, 2026.

(d) Sec. 9 (private right of action) shall take effect on January 1, 2027.

(e) Sec. 6 (Vermont Data Privacy Act low applicability threshold) shall take effect on July 1, 2027.

(f) Sec. 10 (private right of action repeal) shall take effect on January 1, 2029.

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

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

### **Appointments Confirmed**

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator Hardy, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

McSoley, John of Essex Junction - Member of the Vermont Municipal Bond Bank - February 1, 2024 to January 31, 2025.

Winters, Deborah of Swanton - Member of the Vermont Municipal Bond Bank - February 1, 2024 to January 31, 2026.

Foley, Jr., Mark of Rutland - Member of the Vermont Municipal Bond Bank - February 1, 2024 to January 31, 2026.

Snedeker, David of St. Johnsbury - Member of the State Infrastructure Bank Board - January 15, 2024 to February 28, 2025.

### **Recess**

On motion of Senator Baruth the Senate recessed until 8:30 P.M.

### **Called to Order**

The Senate was called to order by the President.

**Message from the House No. 79**

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 of the following title:

**H. 878.** An act relating to miscellaneous judiciary procedures.

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

**Message from the House No. 80**

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

**S. 58.** An act relating to public safety.

And has adopted the same on its part.

**Message from the House No. 81**

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 proposal of amendment to Senate bill of the following title:

**S. 195.** An act relating to how a defendant's criminal record is considered in imposing conditions of release.

And has concurred therein.

**Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate****S. 58.**

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



An act relating to public safety.

Was taken up for immediate consideration.

Senator Sears, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses reports that it has met and considered the same and recommends that the House recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* 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:

(A) using a firearm while committing a felony in violation of 13 V.S.A. § 4005, or an attempt to commit that offense;

(B) trafficking a regulated drug in violation of 18 V.S.A. chapter 84, subchapter 1, or an attempt to commit that offense; or

(C) aggravated stalking as defined in 13 V.S.A. § 1063(a)(3), or an attempt to commit that offense.

(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 or subdivision (c)(2) or (3) of this section before attaining 19 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. 1a. 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 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) or subdivision 5201(c)(2) or (3) 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.

(b) If it appears to a Criminal Division of the Superior Court that the defendant had attained 14 years of age but not 18 years of age at the time an offense specified in subsection 5204(a) or subdivision 5201(c)(2) or (3) of this title was alleged to have been committed, that court may 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 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) or subdivision 5201(c)(2) or (3) 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. 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.~~

(b)(1) The State's Attorney of the county where the juvenile petition is pending may move in the Family Division of the Superior Court for an order transferring jurisdiction under subsection (a) of this section at any time prior to adjudication on the merits. The filing of the motion to transfer jurisdiction shall automatically stay the time for the hearing provided for in section 5225 of this title, which stay shall remain in effect until such time as the Family Division of the Superior Court may deny the motion to transfer jurisdiction.

(2)(A)(i) The Family Division of the Superior Court shall hold a hearing under subsection (c) of this section to determine whether jurisdiction should be transferred to the Criminal Division under subsection (a) of this section if the delinquent act set forth in the petition is:

(I) ~~a felony violation of 18 V.S.A. chapter 84 for selling or trafficking a regulated drug [Repealed.];~~

(II) human trafficking or aggravated human trafficking in violation of 13 V.S.A. § 2652 or 2653;

(III) defacing a firearm's serial number in violation of 13 V.S.A. § 4024; or

(IV) straw purchasing of firearm in violation of 13 V.S.A. § 4025; and

(ii) the child had attained 16 years of age but not 19 years of age at the time the act was alleged to have occurred.

\* \* \*

\* \* \* 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(e)) 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 or subdivision (c)(2) or (3) of this section 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) or subdivision 5201(c)(2) or (3) 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) or subdivision 5201(c)(2) or (3) 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 Agency of Human Services 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 progress toward implementation of the Raise the Age initiative, as measured by qualitative and quantitative data related to the following priorities:

(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) “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. § 4233a is amended to read:

§ 4233a. FENTANYL

(a) Selling or dispensing.

(1) A person knowingly and unlawfully dispensing fentanyl shall be imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling fentanyl shall be imprisoned not more than five years or fined not more than \$100,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing fentanyl in an amount consisting of four milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl shall be imprisoned not more than 10 years or fined not more than \$250,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing fentanyl in an amount consisting of 20 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl shall be imprisoned not more than 20 years or fined not more than \$1,000,000.00, or both.

(4) In lieu of a charge under this subsection, but in addition to any other penalties provided by law, a person knowingly and unlawfully selling or dispensing any regulated drug containing a detectable amount of fentanyl shall be imprisoned not more than five years or fined not more than \$250,000.00, or both.

(b) Trafficking. A person knowingly and unlawfully possessing fentanyl in an amount consisting of 70 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl with the intent to sell or dispense the fentanyl shall be imprisoned not more than 30 years or fined not more than \$1,000,000.00, or both. There shall be a permissive inference that a person who possesses fentanyl in an amount of 70 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl intends to sell or dispense the fentanyl. The amount of possessed fentanyl under this subsection to sustain a charge of conspiracy under 13 V.S.A. § 1404 shall be not less than 70 milligrams in the aggregate.



(c) Transportation into the State. In addition to any other penalties provided by law, a person knowingly and unlawfully transporting more than 20 milligrams of fentanyl into Vermont with the intent to sell or dispense the fentanyl shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(d) As used in this section, “knowingly” means:

(1) the defendant had actual knowledge that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; or

(2) the defendant:

(A) was aware that there is a high probability that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; and

(B) took deliberate actions to avoid learning that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter.

Sec. 15. 18 V.S.A. § 4234 is amended to read:

§ 4234. DEPRESSANT, STIMULANT, AND NARCOTIC DRUGS

(a) Possession.

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

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

(2) A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, consisting of 100 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than five years or fined not more than \$25,000.00, or both.

(3) A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, consisting of 1,000 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(4) A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, consisting of 10,000

times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 20 years or fined not more than \$500,000.00, or both.

(b) Selling or dispensing.

(1) A person knowingly and unlawfully dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, shall be imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling a depressant, stimulant, or narcotic drug, other than fentanyl, cocaine, or heroin, shall be imprisoned not more than five years or fined not more than \$25,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, consisting of 100 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, consisting of 1,000 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 20 years or fined not more than \$500,000.00, or both.

(4) As used in this subsection, “knowingly” means:

(A) the defendant had actual knowledge that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; or

(B) the defendant:

(i) was aware that there is a high probability that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; and

(ii) took deliberate actions to avoid learning that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter.

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

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

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

Sec. 16. 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.

(d) As used in this section, “knowingly” means:

(1) the defendant had actual knowledge that one or more preparations, compounds, mixtures, or substances contained xylazine; or

(2) the defendant:

(A) was aware that there is a high probability that one or more preparations, compounds, mixtures, or substances contained xylazine; and

(B) took deliberate actions to avoid learning that one or more preparations, compounds, mixtures, or substances contained xylazine.

Sec. 17. 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.

(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 findings on the record that the sentence will serve the interests of justice.

Sec. 17a. VERMONT SENTENCING COMMISSION; PERMISSIVE INFERENCE

Not later than October 15, 2024, the Vermont Sentencing Commission shall make a recommendation to the General Assembly whether in 18 V.S.A. § 4250, selling or dispensing with death resulting, there should 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.

Sec. 18. 18 V.S.A. § 4252a is added to read:

§ 4252a. UNLAWFUL DRUG ACTIVITY IN A DWELLING; FLASH CITATION

(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 may request conditions of release. The court may include as a

condition of release that the person is prohibited from coming within a fixed distance of the dwelling.

Sec. 19. 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.

\* \* \* Report \* \* \*

Sec. 20. WORKING GROUP ON TRANSFERS OF JUVENILE  
PROCEEDINGS FROM THE FAMILY DIVISION TO THE  
CRIMINAL DIVISION

(a) On or before December 15, 2025, a joint report on options for creating an expedited process for transfers of juvenile proceedings from the Family Division of the Superior Court to the Criminal Division of the Superior Court shall be submitted to the House and Senate Committees on Judiciary by a working group composed of the following parties:

(1) the Chief Superior Judge or designee, who shall be chair of the working group;

(2) the Defender General or designee;

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

(4) the Commissioner for Children and Families or designee.

(b) The report required by this section may be in the form of proposed legislation and shall include recommendations on the following topics:

(1) the changes in law that would be necessary if the Vermont juvenile justice system were restructured so that all cases alleging criminal violations by youths under 19 years of age started in the Family Division of the Superior Court, including alleged violations of 33 V.S.A. §§ 5204(a) and 5201(c)(2) or (3);

(2) whether cases alleging criminal violations by youths under 20 years of age should also begin in the Family Division; and

(3) statutory options for creating an expedited court process for more serious offenses that would permit transfer of proceedings from the Family Division of the Superior Court to the Criminal Division of the Superior Court without requiring the full transfer hearing process of 33 V.S.A. § 5204,

including the offenses and offender age ranges that would qualify for the expedited process.

\* \* \* Effective Dates \* \* \*

Sec. 21. EFFECTIVE DATES

(a) Secs. 1–6, 12–20, and this section shall take effect on July 1, 2024.

(b) Secs. 7–11 shall take effect on April 1, 2025.

*RICHARD W. SEARS*

*NADER A. HASHIM*

*ROBERT W. NORRIS*

*Committee on the part of the Senate*

*MARTIN J. LALONDE*

*JOSEPH ANDRIANO*

*THOMAS B. BURDITT*

*Committee on the part of the House*

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative, on a roll call, Yeas 24, Nays 3.

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, Hashim, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Watson, Weeks, Westman, White, Williams, Wrenner.

**Those Senators who voted in the negative were:** Gulick, Ingalls, Vyhovsky.

**Those Senators absent and not voting were:** Harrison, Kitchel.

**Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In**

**H. 878.**

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

An act relating to miscellaneous judiciary procedures.

Was taken up for immediate consideration.

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

By striking out Sec. 49 in its entirety and inserting in lieu thereof new Sec. 49 to read as follows:

Sec. 49. [Deleted.]

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

### **Rules Suspended; Action Messaged**

On motion of Senator Baruth, the rules were suspended, and the action on the following bill was ordered messaged to the House forthwith:

**S. 58**

### **Rules Suspended; Bill Messaged**

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

**H. 878.**

### **Recess**

On motion of Senator Baruth the Senate recessed until 10:10 P.M.

### **Called to Order**

The Senate was called to order by the President.

### **Message from the House No. 82**

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 the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

**S. 204.** An act relating to supporting Vermont's young readers through evidence-based literacy instruction.

And has adopted the same on its part.

**Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate; Rules Suspend; Action Messaged**

**S. 204.**

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

An act relating to supporting Vermont's young readers through evidence-based literacy instruction.

Was taken up for immediate consideration.

Senator Gulick, 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 reports that it has met and considered the same and recommends that the House recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Findings \* \* \*

#### Sec. 1. FINDINGS

The General Assembly finds that:

(1) In its December 2023 report to the General Assembly, the Advisory Council on Literacy found the following:

(A) Explicit and systematic instruction on code-based and comprehension-based reading skills and needs-based support are the most effective literacy practices for the early grades.

(B) A strong focus is needed on phonemic awareness, phonics, fluency, vocabulary, and comprehension for all students, and needs-based tiers and layers of support are critical for struggling learners.

(2) Reading instruction is interwoven into the principles of creating culturally responsive and inclusive environments for all students. The availability and use of texts that are culturally relevant and representative of historically underrepresented voices is critical to ensure that all students can connect their experiences to the text they are reading.

\* \* \* 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) The Agency of Education shall review and publish guidance on universal reading screeners based on established criteria that are based on technical adequacy, attention to linguistic diversity, administrative usability, and valid measures of the developmental skills in early literacy, including phonemic awareness, phonics, fluency, vocabulary, and comprehension. The



Agency shall include in its guidance instances in which 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 of instructional time.

(b) Each public and approved independent school that is eligible to receive public tuition shall screen all students in kindergarten through grade three, at least annually, 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.

(c)(1) If such screenings determine that a student is significantly below relevant benchmarks as determined by the screener's guidelines for age-level or grade-level typical development in specific literacy skills, the school shall determine which actions within the general education program will meet the student's needs, including differentiated or supplementary evidence-based reading instruction and ongoing monitoring of progress. Within 30 calendar days following a screening result that is significantly below the relevant benchmarks, the school shall inform the student's parent or guardian of the screening results and the school's response.

(2) 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.

(d) 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)(1) Each supervisory union and approved independent school that is eligible to receive public tuition shall annually report to the Agency, in a format prescribed by the Agency, the following information and prior year performance, by school:

(A) the number and percentage of students in kindergarten through grade three performing below proficiency on local and statewide reading assessments, as applicable; and

(B) the universal reading screeners utilized.

(2) The Agency shall provide guidance to supervisory unions and approved independent schools that are eligible to receive public tuition on whether, and if so, how, the data provided pursuant to subdivision (1) of this

subsection may be disaggregated based on poverty, the provision of special education services, or any other category the Agency deems relevant to understanding the status of the State's progress to improve literacy learning.

(f) 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 subdivision (e)(1) 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(c). 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 screening instruments 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 screening instruments.

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 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 public schools that offer instruction in grades kindergarten through grade three 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 that are eligible to receive public tuition 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 learning activities consistent with section 1710 of this title.

(c) Reading instruction. A public school or approved independent school that is eligible to receive public tuition that offers instruction in grades kindergarten, one, two, or three shall provide highly effective, research-based systematic and explicit evidence-based reading instruction to all students. In addition, a school such schools shall provide:

(1) supplemental reading instruction to any enrolled student in grade four whose reading proficiency falls below third grade reading expectations, as defined under subdivision 164(9) of this title; proficiency standards for the student's grade level or whose reading proficiency prevents progress in school.

(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) Schools shall provide support and information to the parents and legal guardians of such students regarding the student's current level of reading proficiency, which shall be based on valid and reliable assessments.

#### Sec. 6. LITERACY PLAN IMPLEMENTATION; APPROVED INDEPENDENT SCHOOLS

All approved independent schools that are eligible to receive public tuition 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 Development \* \* \*

Sec. 7. 16 V.S.A. § 1710 is added to read:

§ 1710. LITERACY PROFESSIONAL LEARNING

(a) Each supervisory union and each approved independent school that is eligible to receive public tuition shall provide professional learning activities to kindergarten through grade-three educators, to include all teachers and administrators, on implementing a reading screening assessment, interpreting the results, determining instructional practices for students, and communicating with families regarding screening results in a supportive way. The instructional practices, programs, or interventions included in the professional learning activities provided pursuant to this section shall be evidence-based, effective, explicit, systematic, and consistent with federal and State guidance and shall incorporate the foundational concepts of literacy proficiency, including phonemic awareness, phonics, fluency, vocabulary, and comprehension.

(b) Each supervisory union and approved independent school that is eligible to receive public tuition shall maintain a record of completion of professional learning consistent with this section.

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~~ 10 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; and

(J) the Executive Director of the Vermont Curriculum Leaders Association or designee; and

(2) ~~eight~~ seven members who shall serve two-year terms:

(A) ~~a representative appointed by the Vermont Curriculum Leaders Association; [Repealed.]~~

(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 evidence-based 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. POSITION; AGENCY OF EDUCATION; LITERACY

In fiscal year 2025, the conversion of one limited service position created in 2021 Acts and Resolves No. 28, Sec. 4, to one classified permanent status

position within the Agency of Education is authorized. The position shall provide support to the Agency in its evidence-based literacy work.

\* \* \* Expanding Early Childhood Literacy Resources \* \* \*

Sec. 12. 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 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 Dates \* \* \*

Sec. 13. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 7 (16 V.S.A. § 1710; literacy professional development) shall take effect on July 1, 2025.

*BRIAN A. CAMPION  
MARTINE LAROCQUE GULICK  
DAVID H. WEEKS*

*Committee on the part of the Senate*

*ERIN BRADY  
JANA BROWN  
CHRISTOPHER TAYLOR*

*Committee on the part of the House*

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

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

**Recess**

On motion of Senator Baruth, the Senate recessed until 11:00 P.M.

**Called to Order**

The Senate was called to order by the President.



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**Message from the House No. 83**

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 of the following title:

**H. 887.** An act relating to homestead property tax yields, nonhomestead rates, and policy changes to education finance and taxation.

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

**Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In; Rules Suspended; Bill Messaged**

**H. 887.**

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

An act relating to homestead property tax yields, nonhomestead rates, and policy changes to education finance and taxation.

Was taken up for immediate consideration.

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

**Sec. 1. THE COMMISSION ON THE FUTURE OF PUBLIC EDUCATION; REPORTS**

(a) Creation. There is hereby created the Commission on the Future of Public Education in Vermont. The right to education is fundamental for the success of Vermont's children in a rapidly changing society and global marketplace as well as for the State's own economic and social prosperity. The Commission shall study the provision of education in Vermont and make recommendations for a statewide vision for Vermont's public education system to ensure that all students are afforded substantially equal educational opportunities in an efficient, sustainable, and stable education system. The Commission shall also make recommendations for the strategic policy changes necessary to make Vermont's educational vision a reality for all Vermont students.

(b) Membership. The Commission shall be composed of the following members and, to the extent possible, the members shall represent the State's geographic, gender, racial, and ethnic diversity:

(1) the Secretary of Education or designee;

(2) the Chair of the State Board of Education or designee;

(3) the Tax Commissioner or designee;

(4) one current member of the House of Representatives, appointed by the Speaker of the House;

(5) one current member of the Senate, appointed by the Committee on Committees;

(6) one representative from the Vermont School Boards Association (VSBA), appointed by the VSBA Executive Director;

(7) one representative from the Vermont Principals' Association (VPA), appointed by the VPA Executive Director;

(8) one representative from the Vermont Superintendents Association (VSA), appointed by the VSA Executive Director;

(9) one representative from the Vermont National Education Association (VTNEA), appointed by the VTNEA Executive Director;

(10) one representative from the Vermont Association of School Business Officials (VASBO) with experience in school construction projects, appointed by the President of VASBO;

(11) the Chair of the Census-Based Funding Advisory Group, created under 2018 Acts and Resolves No. 173;

(12) the Executive Director of the Vermont Rural Education Collaborative; and

(13) one representative from the Vermont Independent Schools Association (VISA), appointed by the President of VISA.

(c) Steering group. On or before July 1, 2024, the Speaker of the House shall appoint two members of the Commission, the Committee on Committees shall appoint two members of the Commission, and the Governor shall appoint two members of the Commission to serve as members of a steering group. The steering group shall provide leadership to the Commission and shall work with a consultant or consultants to analyze the issues, challenges, and opportunities facing Vermont's public education system, as well as develop and propose a work plan to formalize the process through which the Commission shall seek to achieve its final recommendations. The formal work

plan shall be approved by a majority of the Commission members. The steering group shall form a subcommittee of the Commission to address education finance topics in greater depth and may form one or more additional subcommittees of the Commission to address other key topics in greater depth, as necessary. The steering group may appoint non-Commission members to the education finance subcommittee. All other subcommittees shall be composed solely of Commission members.

(d) Collaboration and information review.

(1) The Commission shall seek input from and collaborate with key stakeholders, as directed by the steering group. At a minimum, the Commission shall consult with:

(A) the Department of Mental Health;

(B) the Department of Labor;

(C) the President of the University of Vermont or designee;

(D) the Chancellor of the Vermont State Colleges Corporation or designee;

(E) a representative from the Prekindergarten Education Implementation Committee;

(F) the Office of Racial Equity;

(G) a representative with expertise in the Community Schools model in Vermont;

(H) the Vermont Youth Council;

(I) the Commission on Public School Employee Health Benefits; and

(J) an organization committed to ensuring equal representation and educational equity.

(2) The Commission shall also review and take into consideration existing educational laws and policy, including legislative reports the Commission deems relevant to its work and, at a minimum, 2015 Acts and Resolves No. 46, 2018 Acts and Resolves No. 173, 2022 Acts and Resolves No. 127, and 2023 Acts and Resolves No. 76.

(e) Duties of the Commission. The Commission shall study Vermont's public education system and make recommendations to ensure all students are afforded quality educational opportunities in an efficient, sustainable, and equitable education system that will enable students to achieve the highest academic outcomes. The result of the Commission's work shall be a recommendation for a statewide vision for Vermont's public education system,

with recommendations for the policy changes necessary to make Vermont's educational vision a reality. In creating and making its recommendations, the Commission shall engage in the following:

(1) Public engagement. The Commission shall conduct not fewer than 14 public meetings to inform the work required under this section. At least one meeting of the Commission as a whole or a subcommittee of the Commission shall be held in each county. The Commission shall publish a draft of its final recommendations on or before October 1, 2025, solicit public feedback, and incorporate such feedback into its final recommendations. When submitting its final recommendations to the General Assembly, the Commission shall include all public feedback received as an addendum to its final report. The public feedback process shall include:

(A) a minimum 30-day public comment period, during which time the Commission shall accept written comments from the public and stakeholders; and

(B) a public outreach plan that maximizes public engagement and includes notice of the availability of language assistance services when requested.

(2) Policy considerations. In developing its recommendations, the Commission shall consider and prioritize the following topics:

(A) Governance, resources, and administration. The Commission shall study and make recommendations regarding education governance at the State level, including the role of the Agency of Education in the provision of services and support for the education system. Recommendations under this subdivision (A) shall include, at a minimum, the following:

(i) whether changes need to be made to the structure of the Agency of Education, including whether it better serves the recommended education vision of the State as an agency or a department;

(ii) what are the staffing needs of the Agency of Education;

(iii) whether changes need to be made to the composition, role, and function of the State Board of Education to better serve the recommended education vision of the State;

(iv) what roles, functions, or decisions should be a function of local control and what roles, functions, or decisions should be a function of control at the State level; and

(v) the effective integration of career and technical education in the recommended education vision of the State.

---

(B) Physical size and footprint of the education system. The Commission shall study and make recommendations regarding how the unique geographical and socioeconomic needs of different communities should factor into the provision of education in Vermont, taking into account and building upon the recommendations of the State Aid to School Construction Working Group. Recommendations under this subdivision (B) shall include, at a minimum, the following:

(i) an analysis and recommendation for the most efficient and effective number and location of school buildings, school districts, and supervisory unions needed to achieve Vermont's vision for education, provided that if there is a recommendation for any change, the recommendation shall include an implementation plan;

(ii) an analysis of the capacity and ability to staff all public schools with a qualified workforce, driven by data on class-size recommendations;

(iii) analysis of whether, and if so, how, collaboration with Vermont's postsecondary schools may support the development and retention of a qualified educator workforce;

(iv) an analysis of the current town tuition program and whether, and if so, what, changes are necessary to meet Vermont's vision for education, including the legal and financial impact of funding independent schools and other private institutions, including consideration of the following:

(I) the role designation, under 16 V.S.A. § 827, should play in the delivery of public education; and

(II) the financial impact to the Education Fund of public dollars being used in schools located outside Vermont; and

(v) an analysis of the current use of private therapeutic schools in the provision of special education services and whether, and if so, what, changes are necessary to meet Vermont's special education needs, including the legal and financial impact of funding private therapeutic schools.

(C) The role of public schools. The Commission shall study and make recommendations regarding the role public schools should play in both the provision of education and the social and emotional well-being of students. Recommendations under this subdivision (C) shall include, at a minimum, the following:

(i) how public education in Vermont should be delivered;

(ii) whether Vermont's vision for public education shall include the provision of wraparound supports and collocation of services;

(iii) whether, and if so, how, collaboration with Vermont's postsecondary schools may support and strengthen the delivery of public education; and

(iv) what the consequences are for the Commission's recommendations regarding the role of public schools and other service providers, including what the role of public schools means for staffing, funding, and any other affected system, with the goal of most efficiently utilizing State funds and services and maximizing federal funding.

(D) Education finance system. The Commission shall explore the efficacy and potential equity gains of changes to the education finance system, including weighted educational opportunity payments as a method to fund public education. The Commission's recommendations shall be intended to result in an education funding system designed to afford substantially equal access to a quality basic education for all Vermont students in accordance with *State v. Brigham*, 166 Vt. 246 (1997). Recommendations under this subdivision (D) shall include, at a minimum, the following:

(i) allowable uses for the Education Fund that shall ensure sustainable and equitable use of State funds;

(ii) the method for setting tax rates to sustain allowable uses of the Education Fund;

(iii) whether, and if so, what, alternative funding models would create a more affordable, sustainable, and equitable education finance system in Vermont, including the consideration of a statutory, formal base amount of per pupil education spending and whether school districts should be allowed to spend above the base amount;

(iv) adjustments to the excess spending threshold, including recommendations that target specific types of spending;

(v) the implementation of education spending caps on different services, including administrative and support services and categorical aid;

(vi) how to strengthen the understanding and connection between school budget votes and property tax bills;

(vii) adjustments to the property tax credit thresholds to better match need to the benefit;

(viii) a system for ongoing monitoring of the Education Fund and Vermont's education finance system, to include consideration of a standing Education Fund advisory committee;

(ix) an analysis of the impact of healthcare costs on the Education Fund, including recommendations for whether, and if so, what, changes need to be made to contain costs; and

(x) implementation details for any recommended changes to the education funding system.

(E) Additional considerations. The Commission may consider any other topic, factor, or issue that it deems relevant to its work and recommendations.

(f) Reports and proposed legislation. The Commission shall prepare and submit to the General Assembly the following:

(1) a formal, written work plan, which shall include a communication plan to maximize public engagement, on or before September 15, 2024;

(2) a written report containing its preliminary findings and recommendations, including short-term cost containment considerations for the 2025 legislative session, on or before December 15, 2024;

(3) a written report containing its final findings and recommendations for a statewide vision for Vermont's public education system and the policy changes necessary to make that educational vision a reality on or before December 1, 2025; and

(4) proposed legislative language to advance any recommendations for the education funding system on or before December 15, 2025.

(g) Assistance. The Agency of Education shall contract with one or more independent consultants or facilitators to provide technical and legal assistance to the Commission for the work required under this section. For the purposes of scheduling meetings and providing administrative assistance, the Commission shall have the assistance of the Agency of Education. The Agency shall also provide the educational and financial data necessary to facilitate the work of the Commission. School districts shall comply with requests from the Agency to assist in data collections.

(h) Meetings.

(1) The Secretary of Education shall call the first meeting of the Commission to occur on or before July 15, 2024.

(2) The Speaker of the House and the President Pro Tempore shall jointly select a Commission chair.

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

(4) Meetings shall be conducted in accordance with Vermont's Open Meeting Law pursuant to 1 V.S.A. chapter 5, subchapter 2.

(5) The Commission shall cease to exist on December 31, 2025.

(i) Compensation and reimbursement. Members of the Commission shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 30 meetings, including subcommittee meetings. These payments shall be made from monies appropriated to the Agency of Education.

Sec. 1a. 2023 Acts and Resolves No. 78, Sec. B.1100 is amended to read:

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

\* \* \*

(r) \$200,000.00 General Fund in fiscal year 2024 to the Agency of Education for the work of the School Construction Task Force and the Commission on the Future of Public Education.

\* \* \* Yields \* \* \*

Sec. 2. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME  
DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD  
PROPERTY TAX RATE FOR FISCAL YEAR 2025

For fiscal year 2025 only:

(1) Pursuant to 32 V.S.A. § 5402b(b), the property dollar equivalent yield shall be \$9,893.00.

(2) Pursuant to 32 V.S.A. § 5402b(b), the income dollar equivalent yield shall be \$10,110.00.

(3) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law to the contrary, the nonhomestead property tax rate shall be \$1.391 per \$100.00 of equalized education property value.

(4)(A) For bills issued for fiscal year 2025, the Commissioner of Taxes shall increase the property tax credit determined pursuant to 32 V.S.A. § 6066(a)(1) and (a)(4) by 13 percent for each claimant. Notwithstanding 32 V.S.A. § 6067, and for purposes of this increase only, the cumulative credit under 32 V.S.A. § 6066(a)(1) and (4) shall also be increased by 13 percent.

(B) The increase in property tax credit provided under this subdivision (4) shall not be included in the calculation required under 32 V.S.A. § 5402b(a)(4).

Sec. 3. 32 V.S.A. § 9701(7) is amended to read:



(7) “Tangible personal property” means personal property that may be seen, weighed, measured, felt, touched, or in any other manner perceived by the senses. “Tangible personal property” includes electricity, water, gas, steam, and prewritten computer software regardless of the method in which the prewritten computer software is paid for, delivered, or accessed.

Sec. 4. REPEAL

2015 Acts and Resolves No. 51, Sec. G.8 (prewritten software accessed remotely) is repealed.

Sec. 5. 32 V.S.A. chapter 225, subchapter 4 is added to read:

Subchapter 4. Short-term Rental Impact Surcharge

§ 9301. IMPOSITION; SHORT-TERM RENTAL IMPACT SURCHARGE

(a) An operator shall collect a surcharge of three percent of the rent of each occupancy that is a short-term rental. As used in this subchapter, “short-term rental” means a furnished house, condominium, or other dwelling room or self-contained dwelling unit rented to the transient, traveling, or vacationing public for a period of fewer than 30 consecutive days and for more than 14 days per calendar year. As used in this subchapter, “short-term rental” does not mean an occupancy in a lodging establishment licensed under 18 V.S.A. chapter 85.

(b) The surcharge shall be in addition to any tax assessed under section 9241 of this chapter. The surcharge assessed under this section shall be paid, collected, remitted, and enforced under this chapter in the same manner as the rooms tax assessed under section 9241 of this title.

Sec. 6. 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

(1) all revenue paid to the State from the statewide education tax on nonhomestead and homestead property under 32 V.S.A. chapter 135;

(2) [Repealed.]

(3) revenues from State lotteries under 31 V.S.A. chapter 14 and from any multijurisdictional lottery game authorized under that chapter;

(4) 25 percent of the revenues from the meals and rooms taxes imposed under 32 V.S.A. chapter 225;

(5) one-third of the revenues raised from the purchase and use tax imposed by 32 V.S.A. chapter 219, notwithstanding 19 V.S.A. § 11(1);

(6) revenues raised from the sales and use tax imposed by 32 V.S.A. chapter 233; and

(7) Medicaid reimbursement funds pursuant to subsection 2959a(f) of this title;

(8) land use change tax revenue deposited pursuant to 32 V.S.A. § 3757(d);

(9) uniform capacity tax revenue deposited pursuant to 32 V.S.A. § 8701(b)(3);

(10) wind-powered electric generating facilities tax deposited pursuant to 32 V.S.A. § 5402c; and

(11) revenues from the short-term rental surcharge under 32 V.S.A. § 9301.

\* \* \*

Sec. 7. RESERVE FUND ACCOUNT STANDARDS; DISTRICT QUALITY STANDARDS; RULEMAKING

On or before January 1, 2025, the Agency of Education shall initiate rulemaking pursuant to 3 V.S.A. chapter 25 to update the District Quality Standards rules contained in Agency of Education, District Quality Standards (CVR 23-020), to include recommended reserve fund account standards. Prior to initiating rulemaking, the Agency shall consult with local school officials.

Sec. 8. AGENCY OF EDUCATION; EDUCATION FINANCE DATA ANALYST POSITION; INTENT

It is the intent of the General Assembly to create a position within the Agency of Education that will enable the Agency to provide a wider range of accessible and transparent data related to school budgets and education spending, including analysis of trends, to school districts, the General Assembly, and the public at large. It is also the intent of the General Assembly that the position shall provide robust support to legislative committees and maintain education finance data calculators and models used within the education finance system.

\* \* \* Ballot Language \* \* \*

Sec. 9. 16 V.S.A. § 563 is amended to read:

§ 563. POWERS OF SCHOOL BOARDS; FORM OF VOTE

The school board of a school district, in addition to other duties and authority specifically assigned by law:

\* \* \*

(11)(A) Shall prepare and distribute annually a proposed budget for the next school year according to such major categories as may from time to time be prescribed by the Secretary.

\* \* \*

(D) The board shall present the budget to the voters by means of a ballot in the following form:

“Article #1 (School Budget):

Shall the voters of the school district approve the school board to expend \$ \_\_\_\_\_, which is the amount the school board has determined to be necessary for the ensuing fiscal year? ~~It is estimated that this proposed budget, if approved, will result in education spending of \$ \_\_\_\_\_ per equalized pupil. This projected spending per equalized pupil is \_\_\_\_\_ % higher/lower than spending for the current year.~~

The \_\_\_\_\_ District estimates that this proposed budget, if approved, will result in per pupil education spending of \$ \_\_\_\_\_, which is \_\_\_\_\_ % higher/lower than per pupil education spending for the current year.”

\* \* \*

Sec. 10. REPEAL

2022 Acts and Resolves No. 127, Sec. 8(c) (suspension of ballot language requirement) is repealed.

Sec. 11. 32 V.S.A. § 5414 is added to read:

§ 5414. CREATION; EDUCATION FUND ADVISORY COMMITTEE

(a) Creation. There is created the Education Fund Advisory Committee to monitor Vermont’s education financing system, conduct analyses, and perform the duties under subsection (c) of this section.

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

(1) the Commissioner of Taxes or designee;

(2) the Secretary of Education or designee;

(3) the Chair of the State Board of Education or designee;

(4) two members of the public with expertise in education financing, who shall be appointed by the Speaker of the House;

(5) two members of the public with expertise in education financing, who shall be appointed by the Committee on Committees;

(6) one member of the public with expertise in education financing, who shall be appointed by the Governor;

(7) the President of the Vermont Association of School Business Officials or designee;

(8) one representative from the Vermont School Boards Association (VSBA) with expertise in education financing, selected by the Executive Director of VSBA;

(9) one representative from the Vermont Superintendents Association (VSA) with expertise in education financing, selected by the Executive Director of VSA; and

(10) one representative from the Vermont National Education Association (VTNEA) with expertise in education financing, selected by the Executive Director of VTNEA.

(c) Powers and duties.

(1) Annually, on or before December 15, the Committee shall make recommendations to the General Assembly regarding:

(A) updating the weighting factors using the weighting model and methodology used to arrive at the weights enacted under 2022 Acts and Resolves No. 127, which may include recalibration, recalculation, adding or eliminating weights, or any combination of these actions, as necessary;

(B) changes to, or the addition of new or elimination of existing, categorical aid, as necessary;

(C) changes to income levels eligible for a property tax credit under section 6066 of this title;

(D) means to adjust the revenue sources for the Education Fund;

(E) means to improve equity, transparency, and efficiency in education funding statewide;

(F) the amount of the Education Fund stabilization reserve;

(G) school district use of reserve fund accounts; and

(H) any other topic, factor, or issue the Committee deems relevant to its work and recommendations.

(2) The Committee shall review and recommend updated weights, categorical aid, and changes to the excess spending threshold to the General Assembly not less than every three years, which may include a recommendation not to make changes where appropriate. In reviewing and recommending updated weights, the Committee shall use the weighting model

and methodology used to arrive at the weights enacted under 2022 Acts and Resolves No. 127.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Taxes and the Agency of Education.

(e) Meetings.

(1) The Commissioner of Taxes shall call the first meeting of the Committee to occur on or before July 15, 2025.

(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.

(f) Compensation and reimbursement. Members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under section 1010 of this title for up to four meetings per year.

Sec. 12. REPEAL; EDUCATION FUND ADVISORY COMMITTEE

32 V.S.A. § 5414 (Education Fund Advisory Committee) as added by this act is repealed on July 1, 2034.

\* \* \* Common Level of Appraisal; Statewide Adjustments \* \* \*

Sec. 13. STATE OUTREACH; STATEWIDE ADJUSTMENTS

On or before September 1, 2024, the Secretary of Education, in consultation with the Commissioner of Taxes, shall conduct outreach to inform school districts, public education stakeholders, and the general public of the use of statewide adjustments under this act. The outreach shall include an explanation of how statewide adjustments are used to calculate tax rates and how using the statewide adjustment differs from the previous method for calculating tax rates.

Sec. 13a. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

\* \* \*

(13)(A) “Education property tax spending adjustment” means the greater of one or a fraction in which:

(i) the numerator is the district’s per pupil education spending plus excess spending for the school year, and

(ii) the denominator is the property dollar equivalent yield for the school year, as defined in subdivision (15) of this section, multiplied by the statewide adjustment.

(B) “Education income tax spending adjustment” means the greater of one or a fraction in which the numerator is the district’s per pupil education spending plus excess spending for the school year, and the denominator is the income dollar equivalent yield for the school year, as defined in subdivision (16) of this section.

\* \* \*

(15) “Property dollar equivalent yield” means the amount of per pupil education spending that would result ~~if the~~ in a district having a homestead tax rate were of \$1.00 per \$100.00 of equalized education property value and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained.

(16) “Income dollar equivalent yield” means the amount of per pupil education spending that would result ~~if the~~ in a district having an income percentage in subdivision 6066(a)(2) of this title were of 2.0 percent and the statutory reserves under 16 V.S.A. § 4026 and section 5402b of this title were maintained.

(17) “Statewide adjustment” means the ratio of the aggregate education property tax grand list of all municipalities to the aggregate value of the equalized education property tax grand list of all municipalities.

Sec. 14. 32 V.S.A. § 5402 is amended to read:

§ 5402. EDUCATION PROPERTY TAX LIABILITY

(a) A statewide education tax is imposed on all nonhomestead and homestead property at the following rates:

(1) The tax rate for nonhomestead property shall be \$1.59 per \$100.00 divided by the statewide adjustment.

(2) The tax rate for homestead property shall be \$1.00 multiplied by the education property tax spending adjustment for the municipality per \$100.00 of equalized education property value as most recently determined under section 5405 of this title. The homestead property tax rate for each municipality that is a member of a union or unified union school district shall be calculated as required under subsection (e) of this section.

(b) The statewide education tax shall be calculated as follows:

(1) The Commissioner of Taxes shall determine for each municipality the education tax rates under subsection (a) of this section divided by the

number resulting from dividing the municipality's most recent common level of appraisal by the statewide adjustment. The legislative body in each municipality shall then bill each property taxpayer at the homestead or nonhomestead rate determined by the Commissioner under this subdivision, multiplied by the education property tax grand list value of the property, properly classified as homestead or nonhomestead property and without regard to any other tax classification of the property. Statewide education property tax bills shall show the tax due and the calculation of the rate determined under subsection (a) of this section, divided by the number resulting from dividing the municipality's most recent common level of appraisal by the statewide adjustment, multiplied by the current grand list value of the property to be taxed. Statewide education property tax bills shall also include language provided by the Commissioner pursuant to subsection 5405(g) of this title.

(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonhomestead property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133, including an itemization of the separate taxes due. The bill may be on a single sheet of paper with the statewide education tax and other taxes presented separately and side by side.

(3) If a district has not voted a budget by June 30, an interim homestead education tax shall be imposed at the base rate determined under subdivision (a)(2) of this section, divided by the number resulting from dividing the municipality's most recent common level of appraisal by the statewide adjustment, but without regard to any spending adjustment under subdivision 5401(13) of this title. Within 30 days after a budget is adopted and the deadline for reconsideration has passed, the Commissioner shall determine the municipality's homestead tax rate as required under subdivision (1) of this subsection.

\* \* \*

Sec. 15. 32 V.S.A. § 5402b is amended to read:

§ 5402b. STATEWIDE EDUCATION TAX YIELDS;  
RECOMMENDATION OF THE COMMISSIONER

(a) Annually, ~~no~~ not later than December 1, the Commissioner of Taxes, after consultation with the Secretary of Education, the Secretary of Administration, and the Joint Fiscal Office, shall calculate and recommend a property dollar equivalent yield, an income dollar equivalent yield, and a

nonhomestead property tax rate for the following fiscal year. In making these calculations, the Commissioner shall assume:

(1) the homestead base tax rate in subdivision 5402(a)(2) of this title is \$1.00 per \$100.00 of equalized education property value;

(2) the applicable percentage in subdivision 6066(a)(2) of this title is 2.0;

(3) the statutory reserves under 16 V.S.A. § 4026 and this section were maintained at five percent; and

(4) the percentage change in the average education tax bill applied to nonhomestead property and the percentage change in the average education tax bill of homestead property and the percentage change in the average education tax bill for taxpayers who claim a credit under subsection 6066(a) of this title are equal;

(5) the equalized education grand list is multiplied by the statewide adjustment in calculating the property dollar equivalent yield; and

(6) the nonhomestead rate is divided by the statewide adjustment.

(b) For each fiscal year, the property dollar equivalent yield and the income dollar equivalent yield shall be the same as in the prior fiscal year, unless set otherwise by the General Assembly.

(c) Annually, on or before December 1, the Joint Fiscal Office shall prepare and publish an official, annotated copy of the Education Fund Outlook. The Emergency Board shall review the Outlook at its meetings. As used in this section, "Education Fund Outlook" means the projected revenues and expenses associated with the Education Fund for the following fiscal year, including projections of different categories of educational expenses and costs.

(d) Along with the recommendations made under this section, the Commissioner shall include the range of per pupil spending between all districts in the State for the previous year.

\* \* \* Act 84 Amendments \* \* \*

Sec. 16. 2024 Acts and Resolves No. 84, Sec. 3(c) is amended to read:

(c) Notwithstanding 16 V.S.A. chapter 133, 32 V.S.A. chapter 135, or any other provision of law to the contrary, a school district shall receive a decrease to its homestead property tax rate in fiscal year 2025 equal to \$0.01 for every relative percent decrease calculated under subsection (b) of this section divided by the statewide adjustment, rounded to the nearest whole cent. The tax rate decrease shall phase out in the following manner:



(1) A district shall receive a decrease to its homestead property tax rate in fiscal year 2026 equal to 80 percent of the rate decrease it received under subsection (b) of this section.

(2) A district shall receive a decrease to its homestead property tax rate in fiscal year 2027 equal to 60 percent of the rate decrease it received under subsection (b) of this section.

(3) A district shall receive a decrease to its homestead property tax rate in fiscal year 2028 equal to 40 percent of the rate decrease it received under subsection (b) of this section.

(4) A district shall receive a decrease to its homestead property tax rate in fiscal year 2029 equal to 20 percent of the rate decrease it received under subsection (b) of this section.

Sec. 17. 2024 Acts and Resolves No. 84, Sec. 3(g) is added to read:

(g)(1) In the event that a district with an equalized homestead property tax rate that was decreased by this section merges with another district or districts, the combined district shall receive the greatest decrease under the section available to any of the merged districts.

(2) In the event that a district withdraws from a district with an equalized homestead property tax rate that was decreased by this section, the withdrawing district shall not receive any decrease under this section and the remaining district shall continue to have the same decrease in its equalized homestead property tax rate. If a district is instead dissolved, there shall be no decreased equalized homestead property tax rate for the resulting districts.

\* \* \* Excess Education Spending \* \* \*

Sec. 18. 32 V.S.A. § 5401(12) is amended to read:

(12) “Excess spending” means:

(A) The ~~per-equalized-pupil~~ per pupil spending amount of the district’s education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b).

(B) In excess of ~~121~~ 118 percent of the statewide average district per pupil education spending ~~per-equalized-pupil~~ increased by inflation, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date. As used in this subdivision, “increased by inflation” means increasing the statewide average district per pupil education spending ~~per-equalized-pupil~~ for fiscal year ~~2015~~ 2025 by the most recent New England Economic Project cumulative price index, as of

November 15, for state and local government purchases of goods and services, from fiscal year ~~2015~~ 2025 through the fiscal year for which the amount is being determined.

Sec. 19. REPEAL

2022 Acts and Resolves No. 127, Sec. 8(a) (suspension of laws) is repealed.

Sec. 20. 16 V.S.A. § 4001(6)(B) is amended to read:

(B) For all bonds approved by voters prior to July 1, 2024, voter-approved bond payments toward principal and interest shall not be included in “education spending” for purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12), “education spending” shall not include:

(i) Spending during the budget year for:

(I) approved school capital construction for a project that received preliminary approval under section 3448 of this title, including interest paid on the debt, provided the district shall not be reimbursed or otherwise receive State construction aid for the approved school capital construction; or

(II) spending on eligible school capital project costs pursuant to the State Board of Education’s Rule 6134 for a project that received preliminary approval under section 3448 of this title.

(ii) For a project that received final approval for State construction aid under chapter 123 of this title:

(I) spending for approved school capital construction during the budget year that represents the district’s share of the project, including interest paid on the debt; or

(II) payment during the budget year of interest on funds borrowed under subdivision 563(21) of this title in anticipation of receiving State aid for the project.

(iii) Spending that is approved school capital construction spending or deposited into a reserve fund under 24 V.S.A. § 2804 to pay future approved school capital construction costs, including that portion of tuition paid to an independent school designated as the public high school of the school district pursuant to section 827 of this title for capital construction costs by the independent school that has received approval from the State Board of Education, using the processes for preliminary approval of public school construction costs pursuant to subdivision 3448(a)(2) of this title.

~~(iv) Spending attributable to the cost of planning the merger of a small school, which for purposes of this subdivision means a school with an average grade size of 20 or fewer students, with one or more other schools.~~

~~(v) Spending attributable to the district's share of special education spending that is not reimbursed as an extraordinary reimbursement under section 2962 of this title for any student in the fiscal year occurring two years prior.~~

~~(vi) A budget deficit in a district that pays tuition to a public school or an approved independent school, or both, for all of its resident students in any year in which the deficit is solely attributable to tuition paid for one or more new students who moved into the district after the budget for the year creating the deficit was passed.~~

~~(vii) For a district that pays tuition for all of its resident students and into which additional students move after the end of the census period defined in subdivision (1)(A) of this section, the number of students that exceeds the district's most recent average daily membership and for whom the district will pay tuition in the subsequent year multiplied by the district's average rate of tuition paid in that year.~~

~~(viii) Tuition paid by a district that does not operate a school and pays tuition for all resident students in kindergarten through grade 12, except in a district in which the electorate has authorized payment of an amount higher than the statutory rate pursuant to subsection 823(b) or 824(c) of this title.~~

~~(ix) The assessment paid by the employer of teachers who become members of the State Teachers' Retirement System of Vermont on or after July 1, 2015, pursuant to section 1944d of this title.~~

~~(x) School district costs associated with dual enrollment and early college programs.~~

~~(xi) Costs incurred by a school district or supervisory union when sampling drinking water outlets, implementing lead remediation, or retesting drinking water outlets as required under 18 V.S.A. chapter 24A.~~

\* \* \* Property Tax Credit Claims \* \* \*

## Sec. 21. PROPERTY TAX CREDIT; ASSET DECLARATION; REPORT

On or before December 15, 2024, the Commissioner shall recommend administrative and policy improvements for property tax credit claims, including the use of an asset declaration. The report shall be submitted to the House Committee on Ways and Means and the Senate Committee on Finance.

\* \* \* Act 127 Conforming Amendments \* \* \*

Sec. 22. 16 V.S.A. § 4016 is amended to read:

§ 4016. REIMBURSEMENT FOR TRANSPORTATION EXPENDITURES

(a) A school district or supervisory union that incurs allowable transportation expenditures shall receive a transportation reimbursement grant each year. The grant shall be equal to 50 percent of allowable transportation expenditures; provided, however, that in any year the total amount of grants under this subsection shall not exceed the total amount of adjusted base year transportation grant expenditures. The total amount of base year transportation grant expenditures shall be \$10,000,000.00 for fiscal year 1997, increased each year thereafter by the annual price index for state and local government purchases of goods and services. If in any year the total amount of the grants under this subsection exceed the adjusted base year transportation grant expenditures, the amount of each grant awarded shall be reduced proportionately. Transportation grants paid under this section shall be paid from the Education Fund and shall be added to ~~adjusted~~ education spending payment receipts paid under section 4011 of this title.

\* \* \*

(c) A district or supervisory union may apply and the Secretary may pay for extraordinary transportation expenditures incurred due to geographic or other conditions such as the need to transport students out of the school district to attend another school because the district does not maintain a public school. The State Board shall define extraordinary transportation expenditures by rule. The total amount of base year extraordinary transportation grant expenditures shall be \$250,000.00 for fiscal year 1997, increased each year thereafter by the annual price index for state and local government purchases of goods and services. Extraordinary transportation expenditures shall not be paid out of the funds appropriated under subsection (b) of this section for other transportation expenditures. Grants paid under this section shall be paid from the Education Fund and shall be added to ~~adjusted~~ education spending payment receipts paid under section 4011 of this title.

Sec. 23. 16 V.S.A. § 4026 is amended to read:

§ 4026. EDUCATION FUND BUDGET STABILIZATION RESERVE;  
CREATION AND PURPOSE

(a) It is the purpose of this section to reduce the effects of annual variations in State revenues upon the Education Fund budget of the State by reserving certain surpluses in Education Fund revenues that may accrue for the purpose of offsetting deficits.

\* \* \*

(e) The enactment of this chapter and other provisions of the Equal Educational Opportunity Act of which it is a part have been premised upon estimates of balances of revenues to be raised and expenditures to be made under the act for such purposes as ~~adjusted~~ education spending payments, categorical State support grants, provisions for property tax income sensitivity, payments in lieu of taxes, current use value appraisals, tax stabilization agreements, the stabilization reserve established by this section, and for other purposes. If the stabilization reserve established under this section should in any fiscal year be less than 5.0 percent of the prior fiscal year's appropriations from the Education Fund, as defined in subsection (b) of this section, the Joint Fiscal Committee shall review the information provided pursuant to 32 V.S.A. § 5402b and provide the General Assembly its recommendations for change necessary to restore the stabilization reserve to the statutory level provided in subsection (b) of this section.

Sec. 24. 16 V.S.A. § 4028 is amended to read:

§ 4028. FUND PAYMENTS TO SCHOOL DISTRICTS

(a) On or before September 10, December 10, and April 30 of each school year, one-third of the ~~adjusted~~ education spending payment under section 4011 of this title shall become due to school districts, except that districts that have not adopted a budget by 30 days before the date of payment under this subsection shall receive one-quarter of the base education amount and upon adoption of a budget shall receive additional amounts due under this subsection.

\* \* \*

\* \* \* Overpayment of Education Taxes \* \* \*

Sec. 24a. COMPENSATION FOR OVERPAYMENT

(a) Notwithstanding any provision of law to the contrary, the sum of \$29,224.00 shall be transferred from the Education Fund to the Town of Canaan in fiscal year 2025 to compensate the homestead taxpayers of the Town of Canaan for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Canaan.

(b) Notwithstanding any provision of law to the contrary, the sum of \$5,924.00 shall be transferred from the Education Fund to the Town of Bloomfield in fiscal year 2025 to compensate the homestead taxpayers of the Town of Bloomfield for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating

average daily membership. The transfer under this subsection shall be made directly to the Town of Bloomfield.

(c) Notwithstanding any provision of law to the contrary, the sum of \$2,575.00 shall be transferred from the Education Fund to the Town of Brunswick in fiscal year 2025 to compensate the homestead taxpayers of the Town of Brunswick for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Brunswick.

(d) Notwithstanding any provision of law to the contrary, the sum of \$6,145.00 shall be transferred from the Education Fund to the Town of East Haven in fiscal year 2025 to compensate the homestead taxpayers of the Town of East Haven for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of East Haven.

(e) Notwithstanding any provision of law to the contrary, the sum of \$2,046.00 shall be transferred from the Education Fund to the Town of Granby in fiscal year 2025 to compensate the homestead taxpayers of the Town of Granby for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Granby.

(f) Notwithstanding any provision of law to the contrary, the sum of \$10,034.00 shall be transferred from the Education Fund to the Town of Guildhall in fiscal year 2025 to compensate the homestead taxpayers of the Town of Guildhall for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Guildhall.

(g) Notwithstanding any provision of law to the contrary, the sum of \$20,536.00 shall be transferred from the Education Fund to the Town of Kirby in fiscal year 2025 to compensate the homestead taxpayers of the Town of Kirby for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Kirby.

(h) Notwithstanding any provision of law to the contrary, the sum of \$2,402.00 shall be transferred from the Education Fund to the Town of

Lemington in fiscal year 2025 to compensate the homestead taxpayers of the Town of Lemington for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Lemington.

(i) Notwithstanding any provision of law to the contrary, the sum of \$11,464.00 shall be transferred from the Education Fund to the Town of Maidstone in fiscal year 2025 to compensate the homestead taxpayers of the Town of Maidstone for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Maidstone.

(j) Notwithstanding any provision of law to the contrary, the sum of \$4,349.00 shall be transferred from the Education Fund to the Town of Norton in fiscal year 2025 to compensate the homestead taxpayers of the Town of Norton for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Norton.

(k) Notwithstanding any provision of law to the contrary, the sum of \$2,657.00 shall be transferred from the Education Fund to the Town of Victory in fiscal year 2025 to compensate the homestead taxpayers of the Town of Victory for an overpayment of education taxes in fiscal year 2024 due to erroneous accounting of certain students for the purposes of calculating average daily membership. The transfer under this subsection shall be made directly to the Town of Victory.

\* \* \* Effective Dates \* \* \*

## Sec. 25. EFFECTIVE DATES

(a) This section and the following sections shall take effect on passage:

(1) Sec. 2 (property tax rates and yields);

(2) Sec. 13 (State outreach; statewide adjustments); and

(3) Sec. 17 (Act 84 application to district mergers, withdrawals, and dissolutions).

(b) Secs. 13a–16 (CLA effect on tax rates and statewide adjustment) and 19 (repeal of excess spending suspension) shall take effect July 1, 2025.

(c) Sec. 9 (16 V.S.A. § 563; powers of school boards; form of vote) shall take effect July 1, 2024, provided, however, that 16 V.S.A. § 563(11)(D) shall not apply to ballots used for fiscal year 2025 budgets.

(d) Sec. 5 (32 V.S.A. chapter 225, subchapter 4) shall take effect August 1, 2024.

(e) All other sections shall take effect on July 1, 2024.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative, a roll call, Yeas 18, 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, Champion, Chittenden, Clarkson, Cummings, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Vyhovsky, Watson, White, Wrenner.

**Those Senators who voted in the negative were:** Brock, Collamore, Ingalls, Norris, Starr, Weeks, Westman, Williams.

**Those Senators absent and not voting were:** Gulick, Ram Hinsdale, Sears.

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

#### **Recess**

On motion of Senator Baruth the Senate recessed until 12:30 A.M.

#### **Called to Order**

The Senate was called to order by the President.

#### **Report of Committee of Conference Accepted and Adopted on the Part of the Senate; Rules Suspended; Bill Messaged**

#### **H. 883.**

Senator Kitchel, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

An act relating to making appropriations for the support of government.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that



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

\* \* \* Purpose, Definitions, Legend \* \* \*

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the “BIG BILL – Fiscal Year 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, the F sections contain adjustments to financial regulation fees, and the G sections contain the Pay Act. The H 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.105 Agency of digital services - communications and information technology	
Personal services	82,994,362
Operating expenses	<u>62,547,212</u>
Total	145,541,574
Source of funds	
General fund	209,808
Special funds	511,723
Internal service funds	<u>144,820,043</u>
Total	145,541,574
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	28,375,591
Operating expenses	<u>6,868,137</u>
Total	35,243,728
Source of funds	
General fund	23,248,019

FRIDAY, MAY 10, 2024

2209

Special funds	11,880,709
Interdepartmental transfers	<u>115,000</u>
Total	35,243,728
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	3,783,849
Interdepartmental transfers	<u>309,968</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	117,405,610
Transportation fund	4,292,149

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Special funds	31,882,209
Federal funds	1,467,374
Internal service funds	214,635,950
Interdepartmental transfers	7,053,789
Enterprise funds	4,298
Pension trust funds	4,800,305
Private purpose trust funds	<u>1,329,205</u>
Total	382,870,889
Sec. B.200 Attorney general	
Personal services	14,435,517
Operating expenses	2,015,028
Grants	<u>20,000</u>
Total	16,470,545
Source of funds	
General fund	7,391,661
Special funds	2,355,424
Tobacco fund	422,000
Federal funds	1,743,215
Interdepartmental transfers	<u>4,558,245</u>
Total	16,470,545
Sec. B.201 Vermont court diversion	
Personal services	1,250
Grants	<u>3,526,258</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	17,309,679
Operating expenses	<u>2,034,016</u>
Total	19,343,695
Source of funds	
General fund	18,734,634
Federal funds	31,000
Interdepartmental transfers	<u>578,061</u>
Total	19,343,695
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	3,016,156
Operating expenses	<u>104,396</u>
Total	3,120,552

Source of funds	
General fund	<u>3,120,552</u>
Total	3,120,552
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	2,061,261
Operating expenses	391,491

Grants	<u>9,908,464</u>
Total	12,361,216
Source of funds	
General fund	1,601,998
Special funds	4,015,490
Federal funds	<u>6,743,728</u>
Total	12,361,216
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	2,712,147
Operating expenses	839,493
Grants	<u>212,000</u>
Total	3,763,640
Source of funds	
General fund	824,794
Special funds	2,242,158
Federal funds	343,452
Interdepartmental transfers	<u>353,236</u>
Total	3,763,640
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>11,147,000</u>
Total	15,708,214
Source of funds	
General fund	1,817,135
Special funds	10,528,782
Federal funds	2,169,174
Interdepartmental transfers	<u>1,193,123</u>
Total	15,708,214

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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

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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	16,031,869
Enterprise funds	<u>15,070,107</u>
Total	563,046,727

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

Personal services	16,219,746
Operating expenses	7,220,486
Grants	<u>3,795,202</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>2,039,512,911</u>
Total	2,039,512,911
Source of funds	
General fund	668,380,623
Special funds	32,047,905
Tobacco fund	21,049,373
State health care resources fund	28,053,557
Federal funds	1,285,494,243
Interdepartmental transfers	<u>4,487,210</u>
Total	2,039,512,911

## 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>46,766,832</u>
Total	125,604,700
Source of funds	
General fund	12,908,892
Special funds	24,906,804
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	125,604,700
Sec. B.313 Health - substance use programs	
Personal services	6,570,967
Operating expenses	511,500
Grants	<u>58,215,510</u>
Total	65,297,977
Source of funds	
General fund	6,672,061
Special funds	2,413,678
Tobacco fund	949,917

Federal funds	15,456,754
Global Commitment fund	<u>39,805,567</u>
Total	65,297,977
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>98,251,027</u>
Total	148,764,030
Source of funds	
General fund	58,838,741
Special funds	729,587
Federal funds	34,666,196
Global Commitment fund	54,514,506
Interdepartmental transfers	<u>15,000</u>
Total	148,764,030

Sec. B.318 Department for children and families - child development	
Personal services	5,908,038
Operating expenses	813,321
Grants	<u>223,329,336</u>
Total	230,050,695
Source of funds	
General fund	76,723,518
Special funds	96,312,000
Federal funds	43,511,414
Global Commitment fund	<u>13,503,763</u>
Total	230,050,695
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

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 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>11,055,849</u>
Total	11,055,849
Source of funds	
General fund	8,478,161
Federal funds	13,147
Global Commitment fund	<u>2,564,541</u>
Total	11,055,849
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

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 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	1,328,118,806
Special funds	202,800,452
Tobacco fund	23,088,208
State health care resources fund	28,053,557
ARPA State Fiscal	5,000,000
Federal funds	1,803,398,922
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	5,404,708,886

## 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	22,086,664
Operating expenses	4,484,934
Grants	<u>14,770,700</u>
Total	41,342,298
Source of funds	
General fund	7,317,085
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	41,342,298

## 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>1,893,267,394</u>
Total	1,893,267,394
Source of funds	
Education fund	<u>1,893,267,394</u>
Total	1,893,267,394
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	<u>20,400,000</u>

## 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	<u>4,000,000</u>

## 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	<u>8,725,587</u>

## 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	<u>17,881,950</u>

## 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	<u>70,708</u>

## 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	228,890,519
Special funds	23,651,687
Tobacco fund	750,388
Education fund	2,323,283,242
Federal funds	354,654,849
Global Commitment fund	260,000
Interdepartmental transfers	1,467,771
Pension trust funds	<u>3,572,780</u>
Total	2,936,531,236
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	<u>55,706,897</u>
Sec. B.602 Vermont state colleges	
Grants	<u>50,940,478</u>
Total	<u>50,940,478</u>
Source of funds	
General fund	<u>50,940,478</u>
Total	<u>50,940,478</u>
Sec. B.603 Vermont state colleges - allied health	
Grants	<u>1,788,434</u>
Total	<u>1,788,434</u>
Source of funds	
General fund	288,434
Global Commitment fund	<u>1,500,000</u>
Total	<u>1,788,434</u>
Sec. B.605 Vermont student assistance corporation	
Grants	<u>26,139,946</u>
Total	<u>26,139,946</u>
Source of funds	
General fund	<u>26,139,946</u>
Total	<u>26,139,946</u>
Sec. B.605.1 VSAC - Flexible Pathways Stipend	
Grants	<u>82,450</u>
Total	<u>82,450</u>
Source of funds	
General fund	41,225
Education fund	<u>41,225</u>
Total	<u>82,450</u>
Sec. B.606 New England higher education compact	
Grants	<u>86,520</u>
Total	<u>86,520</u>
Source of funds	
General fund	<u>86,520</u>
Total	<u>86,520</u>
Sec. B.607 University of Vermont - Morgan Horse Farm	
Grants	<u>1</u>
Total	<u>1</u>



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

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 Sec. B.703 Forests, parks and recreation - administration

Personal services	1,347,215
Operating expenses	<u>1,658,662</u>
Total	3,005,877
Source of funds	
General fund	2,867,366
Special funds	<u>138,511</u>
Total	3,005,877

## 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	13,641,062
Operating expenses	5,555,506
Grants	<u>50,000</u>
Total	19,246,568
Source of funds	
General fund	1,461,122
Special funds	<u>17,785,446</u>
Total	19,246,568

## 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

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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>63,680,546</u>
Total	106,438,497
Source of funds	
Transportation fund	105,406,483
Federal funds	932,014
Interdepartmental transfers	<u>100,000</u>
Total	106,438,497
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	1,176,411
Grants	<u>1,480,000</u>
Total	9,609,773
Source of funds	
Transportation fund	531,909
Federal funds	7,900,327
Local match	<u>1,177,537</u>
Total	9,609,773
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>50,807,700</u>
Total	55,540,225
Source of funds	
Transportation fund	9,807,525
Federal funds	45,592,700
Interdepartmental transfers	<u>140,000</u>
Total	55,540,225



Sec. B.909 Transportation - central garage	
Personal services	5,480,920
Operating expenses	<u>18,070,315</u>
Total	23,551,235
Source of funds	
Internal service funds	<u>23,551,235</u>
Total	23,551,235
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>8,016,000</u>
Total	8,016,000
Source of funds	
Transportation fund	<u>8,016,000</u>
Total	8,016,000
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	325,557,772
TIB fund	18,700,000
Special funds	5,050,000
Federal funds	493,926,974
Internal service funds	23,551,235
Interdepartmental transfers	4,285,717
Local match	<u>7,717,496</u>
Total	878,789,194
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	<u>675,000</u>

\* \* \* 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) \$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) \$150,000 Opioid Abatement Special Fund for a grant to Johnson Health Center to establish a managed medical response partnership for individuals with substance use disorder;

(7) \$150,000 Opioid Abatement Special Fund for a grant to Vermonters for Criminal Justice Reform to establish a managed medical response partnership for individuals with substance use disorder;

(8) \$835,073 General Fund for the Bridges to Health Program; and

(9) \$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) \$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

(3) \$332,000 General Fund for a 2-1-1 service line contract to operate 24 hours seven 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 Winooski Study;

(2) \$225,000 General Fund for contracting to support development of State Flood Hazard Area Standards;

(3) \$1,500,000 General Fund for contracting to support completion of river corridor mapping and implementation of river corridor permitting;

(4) \$150,000 General Fund for contracting to support wetlands mapping and rulemaking; and

(5) \$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) \$630,000 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;

(2) \$1,700,000 Transportation Fund for the purpose of providing grants to increase access to level 1 and 2 electric vehicle supply equipment charging ports at workplaces and multiunit dwelling places; and

(3) \$70,000 Transportation Fund for the purpose of providing grants as part of the eBike Incentive Program.

(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 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 remaining at that time shall be reverted. If the Human Services Caseload Reserve established in 32 V.S.A. § 308b has not been replenished in accordance with subdivision (c)(20) of Sec. B.1102 of this act, the remaining unallocated General Fund balance 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 Public Assistance funds under federal disaster declarations DR-4744-VT and DR-4762-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 Federal Emergency Management Agency related projects.



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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) As part of the fiscal year 2024 closeout, the Department of Finance and Management shall execute the requirements of 32 V.S.A. § 308. If any balance remains after meeting these requirements, then, notwithstanding 32 V.S.A. § 308c, the Department of Finance and Management shall designate the first \$44,310,000 as unallocated carryforward for use in meeting the requirements of the fiscal year 2025 appropriations act as passed by the General Assembly. The Department of Finance and Management shall then, notwithstanding 32 V.S.A. § 308c, calculate the maximum number of contingent transactions that can be funded, in the order provided in subsection (b) of this section, and designate that money to remain unallocated for such purpose in fiscal year 2025. Any residual balance remaining after such designations shall be reserved in accordance with 32 V.S.A. § 308c.

(b) In fiscal year 2025, the following contingent transactions shall be executed in the following order from the designated unallocated balance as determined in subsection (a) of this section:

(1) \$20,000,000 is appropriated to the Department for Children and Families for the General Assistance Emergency Housing program.

(2) \$3,500,000 is transferred to the Community Resilience and Disaster Mitigation Fund for an appropriation in an equal amount to the Department of Public Safety for grants to municipalities with Federal Emergency Management Agency approved Individuals and Households Program registrations for Individual Assistance relating to a calendar year 2023 flooding event and for subgrants to residential building owners of up to \$300,000 for residential structure elevation projects.

(3) \$3,000,000 is transferred to the Dam Safety Revolving Loan Fund.

(4) \$3,000,000 is appropriated to the Department for Children and Families' Family Services Division for the Comprehensive Child Welfare Information System.

(5) \$12,500,000 is appropriated to the Department of Public Safety to be used as matching funds for Federal Emergency Management Agency Flood Hazard Mitigation grant receipts.

(6) \$12,000,000 is appropriated to the Agency of Administration to fund additional direct payments to the Vermont State Retirement System made pursuant to 3 V.S.A. § 473(c)(8).

(7) \$4,000,000 is appropriated to the Department of Environmental Conservation for the Healthy Homes Initiative.

(8) \$5,000,000 is transferred to the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments established in 32 V.S.A. § 1001b and reserved in accordance with the provisions of 2023 Acts and Resolves No. 78, Sec. C.108(b). 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.

(9) \$10,000,000 is appropriated to the Department for Children and Families' Office of Economic Opportunity to expand shelter bed and permanent supportive housing capacity in the State.

(10) \$1,300,000 is appropriated 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 used as direct aid to the Vermont Foodbank's network partner food shelves and pantries through an equitable statewide distribution of food and or subgrants or both.

(11) \$500,000 is appropriated 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 subdivision (11) of this section, \$150,000 shall be for grants of \$30,000 or less.

(B) Of the funds appropriated in subdivision (11) of this section, \$350,000 shall be for up to three grants.

(12) \$500,000 is appropriated 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.

(13) \$1,500,000 is appropriated to the Department of Forests, Parks and Recreation for the Vermont Serve, Learn, and Earn Program.

(14) \$6,000,000 is appropriated to the Department of Housing and Community Development for the Vermont Housing Improvement Program.

(15) \$1,000,000 is appropriated 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.

(16) \$5,000,000 is appropriated to the Agency of Commerce and Community Development to open a flood recovery center to administer a grant program, in coordination with the Central Vermont Economic Development Corporation, to issue grants to flood impacted businesses of not more than \$50,000 per recipient. An amount not to exceed five percent of this appropriation may be used for the administrative costs of the program. Twenty percent of these funds shall be for grants to business owners who are Black, Indigenous, and Persons of Color.

(17) \$12,500,000 is transferred to the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments established in 32 V.S.A. § 1001b and reserved in accordance with the provisions of 2023 Acts and Resolves No. 78, Sec. C.108(a). 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.

(18) \$8,000,000 is transferred to the Child Care Contribution Fund established in 32 V.S.A. § 10554 to be available for appropriation to Department for Children and Families' Child Development Division for the Child Care Financial Assistance Program if necessary. As part of the report required by 2023 Acts and Resolves No. 78, Sec. E.131.2, as amended by 2024 Acts and Resolves No. 87, Sec. 61, the Treasurer shall include a recommendation regarding the future status of these funds and whether the Child Care Contribution Fund should have a statutory reserve.

(19) \$60,000 is appropriated to the Agency of Agriculture, Food and Markets for a grant to the Northeast Organic Farming Association of Vermont for the Crop Cash, Crop Cash Plus, and Farm Share programs.

(20) \$750,000 is transferred to the Court Technology Fund established in 4 V.S.A. § 27.

(21) \$3,913,200 is reserved in the Human Services Caseload Reserve.

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) Notwithstanding 32 V.S.A. § 1001b, \$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, 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	<u>85,860,842</u>
Total	102,342,338	<u>92,342,338</u>
Source of funds		
General fund	35,016,309	<u>25,016,309</u>
Special funds		16,745,000
Federal funds		37,419,258
Global Commitment fund		13,161,771
Total	102,342,338	<u>92,342,338</u>

Sec. C.101 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:

\* \* \*

(C) To the extent that the funds appropriated in this subdivision (a)(5) have not been granted by ~~June~~ September 30, 2024, they shall revert the General Fund and be transferred to the Emergency Relief and Assistance Fund.

\* \* \*

(l) Agency of Human Services Central Office. In fiscal year 2024, funds are appropriated for the following:

\* \* \*

(3) ~~\$10,000,000~~ \$9,429,904 General Fund to continue to address the emergent and exigent circumstances impacting health care providers following the COVID-19 pandemic; ~~and~~

(4) \$10,534,603 General Fund and ~~\$13,693,231~~ \$13,694,105 Federal Revenue Fund ~~#2205~~ #22005 for use as Global Commitment matching funds for one-time caseload pressures due to the suspension of Medicaid eligibility redeterminations; ~~and~~

(5) \$570,096 General Fund and \$741,072 Federal Revenue Fund #22005 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 may 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 or in other one-time appropriation sections of the appropriations 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~~

~~(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~~ deducted 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 shall revert up to \$5,000,000 of prior fiscal year federal funds appropriated through the Emergency Rental Assistance Program, as approved by the Joint Fiscal Committee pursuant to Grant Request #3034. An amount of spending authority equal to these reversions shall be provided, pursuant to 32 V.S.A. § 511, to existing State programs that meet the eligibility criteria established by the U.S. Treasury.

(b) To the extent that qualifying General Fund expenditures already incurred are transferred onto the spending authority established in subsection (a) of this section, the Commissioner of Finance and Management shall, notwithstanding 32 V.S.A. § 706, transfer 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 establish a second 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 subaccount of the Human Services Caseload Reserve established in 32 V.S.A. § 308b(c)(2) for appropriation to Sec. B.301, Secretary's Office Global Commitment, of this act 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 include the actions necessary to 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.

\* \* \*

(C) There shall be no deadline to apply for a forgivable loan under this section. Forgivable loans shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall ~~roll over~~ 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. 64, Sec. 3a, is amended to read:

Sec. 3a. APPROPRIATION; SCHOOL MEALS

The sum of ~~\$29,000,000.00~~ \$26,400,000.00 is appropriated from the Education Fund to the Agency of Education for fiscal year 2024 to provide reimbursement for school meals under 16 V.S.A. § 4017.

\* \* \* 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 in 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 in 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.

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(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.

(K) Education Fund (#20205): \$25,000,000.

(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 (#10000): \$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.

(7) From the Central Garage Fund established in 19 V.S.A. § 13 to:

(A) the Transportation Fund: \$1,100,000.

(b) Notwithstanding any provision 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.

(F) Financial Institutions Supervision Fund (#21065): \$1,100,000.

(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) \$66,935,000 of the net unencumbered fund 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) 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-4762-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-4762-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 – Trans. Retirement</u>	<u>\$3,935,637.31</u>

(b) Notwithstanding any provision of law to the contrary, in fiscal year 2025, 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 Assistance</u>	<u>\$5,000,000.00</u>
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#### Sec. D.103 RESERVES

(a) Notwithstanding any provision 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 \$15,168,663 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 deducted from the fiscal year 2024 total appropriations amount.

\* \* \* General Government \* \* \*

#### Sec. E.100 POSITIONS

(a) The establishment of 43 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 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) one Administrative Services Coordinator;

(ii) two Environmental Engineers;

(iii) two Environmental Technicians; and

(iv) 10 Environmental Analysts.

(F) Agency of Education:

(i) one CTE Education Programs Coordinator; and

(ii) one Education Finance Data Analyst.

(G) Department of Corrections:

(i) five Probation and Parole Officers.

(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.

(D) Office of Legislative Counsel:

(i) one Law Clerk; and

(ii) two Legislative Counsels.

(E) Office of Legislative Information Technology:

(i) one Audio Visual Specialist.

(D) Joint Fiscal Office:

(i) one Analyst.

(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) one Database Administrator;

(B) two IT Help Desk Analysts;

(C) two Centralized Service Analysts;

(D) 10 Judicial Assistants; and

(E) 11 Judicial Officer II's.

(2) Department of State's Attorneys and Sheriffs:

(A) seven Deputy State's Attorneys;

(B) one Victim Advocate; and

(C) one Legal Assistant.

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 ESTABLISHMENT OF  
NEW SPENDING AUTHORITY

(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 revert any unexpended and unencumbered spending authority and establish new spending authority across governmental units in an overall net-neutral manner, pursuant to 32 V.S.A. § 511.

(b) The Commissioner of Finance and Management shall revert all unobligated American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund spending authority prior to December 31, 2024. The total amount of American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund spending authority reverted in accordance with this subsection shall equal the amount of new spending authority established pursuant to 32 V.S.A. § 511 for 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 unexpended and unencumbered spending authority shall be reverted and amount of funds equal to the reversion shall be transferred to the Community Resilience and Disaster Mitigation Fund.

(2) \$4,000,000 to the Agency of Administration for Administration costs, including for an 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 and 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 subject to the establishment of new spending authority or transferred, 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 spending authority becomes 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 spending authority and establish new spending authority pursuant to 32 V.S.A. § 511 for 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; ABOLISHED POSITIONS

(a) The abolishment of two session-only Law Clerk 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. 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.

\* \* \*

Sec. E.126.1 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.126.2 LEGISLATURE; STATE HOUSE RENOVATION  
APPROVAL

(a) The Speaker of the House, the President Pro Tempore of the Senate, the Chair of 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 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.127.1 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 the revenues 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 using an appropriate index chosen in consultation with the Joint Fiscal Office. The inflation adjustment shall be calculated as the percentage change between the value of the index in the July of the year the fee was last adjusted by the General Assembly and July 2024;

(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) The Joint Fiscal Office shall provide guidance as necessary to the Judiciary, agencies, departments, boards, and offices described in subsection (a) of this section on the methodology to be used for compiling the information requested in the fee reports. On or before October 15, 2024, the Judiciary, agencies, departments, boards, and offices described in subsection (a) of this section shall submit a 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 jointly prepared 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, as it pertains to Executive Branch agencies, departments, boards, and offices, “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.” As it pertains to the Judiciary, “fee” means any source of State revenue classified by the Department of Finance and Management accounting system as “fees.”

(d) Executive Branch 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.

(e) Judicial Branch fee report moratorium. Notwithstanding 32 V.S.A. § 605a, in fiscal year 2025, the Justices of the Supreme Court or the Court Administrator if one is appointed pursuant to 4 V.S.A. § 21 shall not be required to submit the consolidated Judicial 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 under Section 529A of the federal Internal Revenue Code 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 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 provision 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 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 spending authority may be allocated by the Commissioner to fund the work of the Drug Task Force or carried forward.



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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

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 that General Fund appropriated to the Agency of Human Services in 2023 Acts and Resolves No. 78, Secs. B.300 through B.341 remains 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 OPERATIONAL COSTS; RESIDENTIAL TREATMENT  
PROGRAMS FOR YOUTH

(a) On or before January 15, 2025, the Department for Children and Families shall submit a report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and

Health and Welfare describing the anticipated cost differential in operating the former Woodside Juvenile Rehabilitation Center as compared to operating the various residential treatment programs for youth developed to replace the former Woodside Juvenile Rehabilitation Center.

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 Committee on Health Care and the Senate Committees on Health and Welfare and on Finance.

Sec. E.306.2 DVHA; RATE ANALYSES REQUEST

(a) To the extent that resources allow, the Department of Vermont Health Access shall conduct the analysis set forth in subdivision (1) of this subsection first, followed by the analysis set forth in subdivision (2) of this subsection, and shall provide its findings to the House Committees on Health Care and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations on or before January 15, 2025:

(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 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; and

(2) increase the Qualifying Individual Program income threshold to the maximum percent of the federal poverty level allowed under federal law based on the increase to the income threshold for the Qualified Medicare Beneficiary Program in subdivision (1) of this subsection.

Sec. E.306.5 MEDICARE SAVINGS PROGRAMS; MEDICAID STATE PLAN AMENDMENT; VPHARM TRANSITION; REPORTS

(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)(1) 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 Programs' eligibility expansions set forth in Sec. E.306.4 of this act, including:

(A) whether the VPharm program should be modified or repealed as a result of the Medicare Savings Programs' eligibility expansions;

(B) whether the benefits provided by the VPharm program should be delivered through an alternative program design;

(C) the estimated fiscal impacts of implementing any recommended changes; and

(D) when any recommended changes should take effect.

(2) 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 subsection.

(c) On or before January 15, 2027, the Agency of Human Services shall provide cost estimates for expanding eligibility for the Medicare Savings Programs beyond the eligibility expansions set forth in Sec. E.306.4 of this act to the House Committees on Health Care, on Human Services, and on

Appropriations and the Senate Committees on Health and Welfare and on Appropriations.

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 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 AND HEALTH CARE EDUCATIONAL LOAN REPAYMENT FUND PROFESSIONALS

~~(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 and health care educators to meet the health care needs of Vermonters, with a focus on recruiting and retaining providers 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.~~

~~(e) 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.~~

~~(d)(b) AHEC shall administer awards in such a way as to comply with the requirements of Section 108(f) of the Internal Revenue Code.~~

~~(e)(c) 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)~~(d) Loan repayment awards shall only be available for a health care ~~provider~~ professional or health care educator who:

(1) is a Vermont resident;

(2) serves Vermont;

(3) accepts patients with coverage under Medicaid, Medicare, or other State-funded health care benefit programs, if applicable; and

(4) has outstanding educational debt acquired in the pursuit of an undergraduate or graduate degree from an accredited college or university that exceeds the amount of the loan repayment award.

~~(g)~~(e) Additional eligibility and selection criteria will be developed annually by the Commissioner in consultation with AHEC and may include local goals for improved service, community needs, or other awarding parameters.

~~(h)~~(f) The Commissioner may adopt rules in order to implement the program established in this section.

~~(i)~~(g) As used in this section:

\* \* \*

(2) “Health care ~~provider~~ professional” means an individual licensed, certified, or otherwise 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.

(h) 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 not 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 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 Abatement Special Fund to existing 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 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 Abatement Special Fund to fund new syringe service programs to increase the geographic distribution of Harm Reduction Services in Vermont not 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 an affirmative vote of the majority, 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. The Advisory Committee shall give priority consideration to services requiring funding on an ongoing basis.

Sec. E.312.2 LEGISLATIVE INTENT; OPIOID ABATEMENT SPECIAL FUND

(a) It is the intent of the General Assembly that syringe services be funded annually at not less than fiscal year 2025 levels through the Opioid Abatement Special Fund established in 18 V.S.A. § 4774, provided funds remain available.

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 of the Vermont Preferred Provider Network for substance use disorder treatment appointed by the Commissioner of Health; and

(D) a representative of recovery centers in the State appointed by Recovery Partners of Vermont.

(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.



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Sec. E.313.1 CERTIFIED RECOVERY RESIDENCES

(a) Of the funds appropriated in Sec. B.313 of this act, \$1,200,000 Opioid Abatement Special Fund shall be for recovery residences certified by the Vermont Alliance for Recovery Residences, including at least two new recovery residences certified by the Vermont Alliance for Recovery Residences.

(b) It is the intent of the General Assembly that recovery residences be funded annually at not less than fiscal year 2025 levels through the Opioid Abatement Special Fund established in 18 V.S.A. § 4774 as long as funds remain available.

Sec. E.314 RATE INCREASE; DESIGNATED AND SPECIALIZED SERVICE AGENCIES

(a) In fiscal year 2025, the Agency of Human Services shall increase the base funding rate for designated and specialized service agencies by three percent to reflect inflationary increases for developmental disability services and mental health services. These funds shall be used in accordance with all contractual and regulatory requirements as negotiated by the designated and specialized service agencies and the Agency of Human Services.

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.317.2 ADOPTION; POST PERMANENCY SERVICES; YOUTH SERVICES

(a) Of the funds appropriated in Sec. B.317 of this act:

(1) \$145,926 General Fund and \$124,308 federal funds shall be for grants to post permanency adoption services;

(2) \$446,253 General Fund shall be for a grant to Spectrum Youth and Family Services for the youth homeless shelter in Saint Albans;

(3) \$125,000 General Fund shall be for grants to be distributed equally to the Vermont Youth Services Bureaus; and

(4) \$181,000 General Fund shall be for grants to support homeless youth services in Vermont.

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 or other identifying 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 19 years of age or under;

(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) General Assistance Emergency Housing shall be provided in a community-based shelter whenever possible. 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. The utilization of hotel and motel rooms pursuant to this subdivision shall be capped at 1,100 rooms per night between September 15, 2024 through November 30, 2024 and between April 1, 2025 through June 30, 2025.

(2) The maximum number of days that an eligible household receives emergency housing in a hotel or motel under this section, per 12-month period, shall not exceed 80 days.

(3) The Department shall provide emergency winter housing to households meeting the eligibility criteria in subsection (a) of this section between December 1, 2024 and March 31, 2025. Emergency housing in a hotel or motel provided pursuant to this subdivision shall not count toward the maximum days of eligibility per 12-month period provided in subdivision (2) of this subsection.

(4)(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) For purposes of this subdivision (4), “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) Emergency housing provided pursuant to this section shall replace the catastrophic and noncatastrophic categories adopted by the Department in rule.

(d) 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.

(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. Additionally, this report shall include the Department’s monthly expenditure on General Assistance Emergency Housing.

(h) For 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 EMERGENCY SHELTERS

(a)(1) The Department for Children and Families shall continue to develop emergency shelters for the provision of lodging between December 1, 2024 and March 31, 2025 to households that do not meet the eligibility criteria for General Assistance Emergency Housing as described in subsection (a) of Sec. E.321 of this act or are otherwise in need of emergency shelter.

(2) The Department shall work with community providers as available to deliver daytime and overnight shelter services.

(b)(1) In fiscal year 2025, \$10,000,000 allocated from the General Fund in Sec. B.1102(b)(9) of this act to expand shelter bed and permanent supportive housing shall be used by the Department to first develop emergency shelters as required in subsection (a) of this section. Any allocated funds that are not needed for emergency shelters may be used to expand permanent shelter bed and permanent supportive housing capacity.

(2) On or before July 15, 2024, the Department shall submit to the Joint Fiscal Committee a plan for the development of emergency shelters required pursuant to this subsection. On or before September 1, 2024 and November 1, 2024, the Department shall submit to the Joint Fiscal Committee progress reports addressing the Department's efforts to develop sufficient emergency shelter beds, including updates on work to provide overnight shelter and daytime solutions in advance of December 1, 2024.

(c) As used in this section, "emergency shelter" means a congregate, semi-congregate, or non-congregate facility providing safe shelter where limited services shall be offered, including limited storage of possessions and personal hygiene facilities.

#### Sec. E.321.2 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) a representative with experience operating an emergency shelter program, appointed jointly by the Speaker of the House and the President Pro Tempore;

(10) the Commissioner of the Department for Children and Families or designee;

(11) the Deputy Commissioner of the Department for Children and Families' Division of Economic Services; and

(12) 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.323 32 V.S.A. § 306 is amended to read:

§ 306. BUDGET REPORT

(a) The Governor shall submit to the General Assembly, not later than the third Tuesday of every annual session, a budget that shall embody his or her the Governor's estimates, requests, and recommendations for appropriations or

other authorizations for expenditures from the State Treasury. In the first year of the biennium, the budget shall relate to the two succeeding fiscal years. In the second year of the biennium, it shall relate to the succeeding fiscal year. The budget shall be based upon the official State revenue estimates, including the Medicaid estimated caseloads and per-member per-month expenditures, adopted by the Emergency Board pursuant to section 305a of this title.

(1) As part of the budget report, the Governor shall:

\* \* \*

(C) itemize current services liabilities, including the total obligations and the amount estimated for full funding in the current year in which an amortization schedule exists. These shall include the following liabilities projected for the start of the budget fiscal year:

\* \* \*

(iii) Reach Up funding full benefit obligations, including the standard of need for the current fiscal year, reflecting the level of financial assistance necessary to meet a family's ongoing basic needs in the current fiscal year as defined in 33 V.S.A. § 1101(13), prior to any rateable reductions made pursuant to 33 V.S.A. § 1103(a), which ensure that the expenditures for the programs shall not exceed appropriations;

\* \* \*

#### 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, \$25,747,402 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 two U.S. Department of Housing and Urban Development recognized Continuum of Care programs.

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

\* \* \*

(b) 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.

\* \* \*

~~(c) 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 (h), 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) 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) 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, as well as identifying the other aspects of Vermont's health care system that likely would be affected by the use of reference-based pricing, such as hospital margins, health insurance premiums, and the State's health care reform efforts.

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 Adult Education and Secondary Credential Program established in 16 V.S.A. § 945.



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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 shall be granted by the Agency of Education to adult education and literacy providers pursuant to the Adult Education and Secondary Credential Program established in 16 V.S.A. § 945.

(b) Notwithstanding 16 V.S.A. § 4025, of the Education Fund appropriation in Sec. B.504.1 of this act. 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 General Fund appropriation in Sec. B.504.1 of this act, \$921,500 is designated for dual enrollment programs.

Sec. E.504.2 16 V.S.A. § 945 is amended to read:

§ 945. ~~ADULT DIPLOMA PROGRAM; GENERAL EDUCATIONAL DEVELOPMENT PROGRAM~~ ADULT EDUCATION AND SECONDARY CREDENTIAL PROGRAM

(a) The Secretary shall maintain an Adult Diploma Program (ADP), which shall be an assessment process administered by the Agency through which an individual any Vermont resident who is at least 20 16 years of age; who has not received a high school diploma; and who is not enrolled in a public or approved independent school, postsecondary institution, or home study program can receive a local high school diploma granted by one of the Program's participating high schools.

(b) The Secretary shall maintain a General Educational Development (GED) Program, which it the Secretary shall administer jointly with the GED testing service and approved local testing centers and through which an adult individual a Vermont resident who is at least 16 years of age and; who has not received a high school diploma; and who is not enrolled in secondary a public or an approved independent school, a postsecondary institution, or a home study program can receive a secondary school equivalency certificate based on successful completion of the GED tests.

(c) The Secretary may provide additional programs designed to address the individual needs and circumstances of adult students, particularly students with the lowest levels of literacy skills.

(d) The diagnostic portion of the Program referenced in subsection 4011(f) of this title shall be used as a tool to evaluate the educational needs of and skills gained by individual students but shall not be used to exclude individuals from the Program or to condition payments to local education and literacy providers.

Sec. E.504.3 REPEAL

16 V.S.A. § 943 (High School Completion Program) is repealed.

Sec. E.504.4 16 V.S.A. § 4011 is amended to read:

§ 4011. EDUCATION PAYMENTS

(a) Annually, the General Assembly shall appropriate funds to pay for statewide education spending and a portion of a base education amount for each adult ~~diploma~~ education and secondary credential program student.

\* \* \*

(f) Annually, the Secretary shall pay to a ~~department or agency~~ local adult education and literacy provider, as defined in section 942 of this title, that provides an adult ~~diploma~~ education and secondary credential program an amount equal to 26 percent of the base education amount for each student who ~~completed~~ completes the diagnostic portion portions of the program, based on an average of the previous two years; 40 percent of the payment required under this subsection shall be from State funds appropriated from the Education Fund and 60 percent of the payment required under this subsection shall be from State funds appropriated from the General Fund.

\* \* \*

Sec. E.504.5 16 V.S.A. § 944 is amended to read:

§ 944. DUAL ENROLLMENT PROGRAM

\* \* \*

(b) Students.

(1) A Vermont resident who has completed grade 10 but has not received a high school diploma is eligible to participate in the Program if:

(A) the student:

\* \* \*

~~(ii) is assigned to a public school through the High School Completion Program a student in the Adult Diploma Program under subsection 945(a) of this title; or~~

\* \* \*

Sec. E.504.6 16 V.S.A. § 941 is amended to read:

§ 941. FLEXIBLE PATHWAYS INITIATIVE

(a) There is created within the Agency a Flexible Pathways Initiative:

\* \* \*

(b) The Secretary shall develop, publish, and regularly update guidance, in the form of technical assistance, sharing of best practices and model documents, legal interpretations, and other support designed to assist school districts:

\* \* \*

(3) to create opportunities for secondary students to pursue flexible pathways to graduation that:

\* \* \*

(C) include:

\* \* \*

~~(v) the High School Completion Program as set forth in section 943 of this title; and [Repealed.]~~

~~(vi) the Adult Diploma Program and General Educational Development Program adult education and secondary credential opportunities as set forth in section 945 of this title; and~~

\* \* \*

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 \$3,500,000.00 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.

\* \* \*

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 in 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).

\* \* \* Financial Regulation Fees \* \* \*

Sec. F.100 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.101 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.102 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.103 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.

\* \* \* Pay Act \* \* \*

Sec. G.100 COLLECTIVE BARGAINING AGREEMENTS; FISCAL  
YEARS 2025 AND 2026

(a) Fiscal year 2025. This act fully funds the first year of the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and the Vermont Troopers' Association for the period of July 1, 2024 through June 30, 2025. The collective bargaining agreements for most classified employees provide in fiscal year 2025 an average 1.9 percent step increase and 4.5 percent across-the-board increase for a total of a 6.4 percent increase.

(b) Fiscal year 2026. This act fully funds the second year of the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and the Vermont Troopers' Association for the period of July 1, 2025 through June 30, 2026. The collective bargaining agreements for most classified employees provide in fiscal year 2026 an average 1.9 percent step increase and 3.5 percent across-the-board increase for a total of a 5.4 percent increase.

Sec. G.101 EXEMPT EMPLOYEES; PERMITTED SALARY INCREASES;  
FISCAL YEARS 2025 AND 2026

(a) Fiscal year 2025. The Executive, Judicial, and Legislative Branches may extend the fiscal year 2025 provisions of the collective bargaining agreements that are funded by this act to employees not covered by the bargaining agreements as they determine to be appropriate and in accordance with the appropriations provided to each branch.

(b) Fiscal year 2026. The Executive, Judicial, and Legislative Branches may extend the fiscal year 2026 provisions of the collective bargaining agreements that are funded by this act to employees not covered by the bargaining agreements as they determine to be appropriate and in accordance with the appropriations provided to each branch.

Sec. G.102 EXECUTIVE BRANCH; EXEMPT AGENCY AND  
DEPARTMENT HEADS, DEPUTIES, AND EXECUTIVE  
ASSISTANTS; ANNUAL SALARY ADJUSTMENT AND  
SPECIAL SALARY INCREASE OR BONUS

(a) Fiscal year 2025. For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), "the average rate of adjustment available to most classified employees under the collective bargaining agreement" shall be, in fiscal year 2025, 6.4 percent.

(b) Fiscal year 2026. For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), "the average rate of adjustment available to most classified

employees under the collective bargaining agreement” shall be, in fiscal year 2026, 5.4 percent.

Sec. G.103 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

(a) Each elective officer of the Executive Department is entitled to an annual salary as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 3,</u> <u>2022</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 2,</u> <u>2023</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 14,</u> <u>2024</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 13,</u> <u>2025</u>
(1) Governor	\$201,150	\$208,995	\$222,371	\$234,379
(2) Lieutenant Governor	\$85,384	\$88,714	\$94,392	\$99,489
(3) Secretary of State	\$127,548	\$132,522	\$141,003	\$148,617
(4) State Treasurer	\$127,548	\$132,522	\$141,003	\$148,617
(5) Auditor of Accounts	\$127,548	\$132,522	\$141,003	\$148,617
(6) Attorney General	\$152,725	\$158,681	\$168,837	\$177,954

(b) The Governor may appoint each officer of the Executive Branch listed in this subsection at a starting salary ranging from the base salary stated for that position to a salary that does not exceed the maximum salary unless otherwise authorized by this subsection. The maximum salary for each appointive officer shall be 50 percent above the base salary. Annually, the Governor may grant to each of those officers an annual salary adjustment subject to the maximum salary. The annual salary adjustment granted to officers under this subsection shall not exceed the average rate of adjustment available to most classified employees under the collective bargaining agreement then in effect. In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase subject to the maximum salary, or a bonus, to any officer listed in this subsection whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average rate of adjustment available to most classified employees under the collective bargaining agreement then in effect.

(1) Heads of the following Departments and Agencies:

	Base Salary as of July 3, 2022	Base Salary as of July 2, 2023	Base Salary as of July 14, 2024	Base Salary as of July 13, 2025
(A) Administration	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(B) Agriculture, Food and Markets	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(C) Financial Regulation	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(D) Buildings and General Services	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(E) Children and Families	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(F) Commerce and Community Development	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(G) Corrections	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(H) Defender General	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(I) Disabilities, Aging, and Independent Living	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(J) Economic Development	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(K) Education	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(L) Environmental Conservation	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(M) Finance and Management	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(N) Fish and Wildlife	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(O) Forests, Parks and Recreation	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>

FRIDAY, MAY 10, 2024

2335

(P) Health	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(Q) Housing and Community Development	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(R) Human Resources	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(S) Human Services	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(T) Digital Services	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(U) Labor	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(V) Libraries	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(W) Liquor and Lottery	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(X) [Repealed.]				
(Y) Mental Health	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(Z) Military	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(AA) Motor Vehicles	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(BB) Natural Resources	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(CC) Natural Resources Board Chair	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(DD) Public Safety	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(EE) Public Service	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(FF) Taxes	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(GG) Tourism and Marketing	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(HH) Transportation	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(II) Vermont Health Access	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(JJ) Veterans' Home	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>

(2) [Repealed.]

(3) If the Chair of the Natural Resources Board is employed on less than a full-time basis, the hiring and salary maximums for that position shall be reduced proportionately.

(4) When a permanent employee is appointed to an exempt position, the Governor may authorize such employee to retain the present salary even though it is in excess of any salary maximum provided in statute.

\* \* \*

(d) Notwithstanding the maximum salary established in subsection (b) of this section, the Defender General shall not receive compensation in excess of the compensation established for the Attorney General in this section.

(e) Notwithstanding the maximum salary established in subsection (b) of this section, the maximum salary for the Commissioner of Health shall not exceed 100 percent above the base salary for this position.

Sec. G.104 32 V.S.A. § 1003(c) is amended to read:

(c) The officers of the Judicial Branch named in this subsection shall be entitled to annual salaries as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 3,</u> <u>2022</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 2,</u> <u>2023</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 14,</u> <u>2024</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 13,</u> <u>2025</u>
(1) Chief Justice of Supreme Court	\$193,600	\$201,150	<u>\$214,024</u>	<u>\$225,581</u>
(2) Each Associate Justice	\$184,771	\$191,977	<u>\$204,264</u>	<u>\$215,294</u>
(3) Administrative Judge	\$184,771	\$191,977	<u>\$204,264</u>	<u>\$215,294</u>
(4) Each Superior Judge	\$175,654	\$182,505	<u>\$194,185</u>	<u>\$204,671</u>
(5) [Repealed.]				
(6) Each Magistrate	\$132,441	\$137,606	<u>\$146,413</u>	<u>\$154,319</u>
(7) Each Judicial Bureau hearing officer	\$132,441	\$137,606	<u>\$146,413</u>	<u>\$154,319</u>

Sec. G.105 32 V.S.A. § 1141 is amended to read:

§ 1141. ASSISTANT JUDGES

(a)(1) Each assistant judge of the Superior Court shall be entitled to receive compensation in the amount of ~~\$203.05~~ \$224.47 a day as of ~~July 3, 2022~~ July 14, 2024 and ~~\$210.97~~ \$236.59 a day as of ~~July 2, 2023~~ July 13, 2025 for time spent in the performance of official duties and necessary expenses as allowed to classified State employees. Compensation under this section shall be based on a two-hour minimum and hourly thereafter.

(2)(A) The compensation paid to an assistant judge pursuant to this section shall be paid by the State except as provided in subdivision (B) of this subdivision (2).

(B) The compensation paid to an assistant judge pursuant to this section shall be paid by the county at the State rate established in subdivision (a)(1) of this section when an assistant judge is sitting with a presiding Superior judge in the Civil or Family Division of the Superior Court.

(b) Assistant judges of the Superior Court shall be entitled to receive pay for such days as they attend court when it is in actual session or during a court recess when engaged in the special performance of official duties.

Sec. G.106 32 V.S.A. § 1142 is amended to read:

§ 1142. PROBATE JUDGES

(a) The Probate judges in the several Probate Districts shall be entitled to receive the following annual salaries, which shall be paid by the State in lieu of all fees or other compensation:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 3,</u> <u>2022</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 2,</u> <u>2023</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 14,</u> <u>2024</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 13,</u> <u>2025</u>
(1) Addison	\$69,249	\$71,950	\$76,555	\$80,689
(2) Bennington	\$87,541	\$90,955	\$96,776	\$102,002
(3) Caledonia	\$61,412	\$63,807	\$67,891	\$71,557
(4) Chittenden	\$146,093	\$151,791	\$161,506	\$170,227
(5) Essex	\$17,156	\$17,825	\$18,966	\$19,990
(6) Franklin	\$69,249	\$71,950	\$76,555	\$80,689
(7) Grand Isle	\$17,156	\$17,825	\$18,966	\$19,990

(8) Lamoille	\$48,343	\$50,228	\$53,443	\$56,329
(9) Orange	\$57,489	\$59,731	\$63,554	\$66,986
(10) Orleans	\$56,183	\$58,374	\$62,110	\$65,464
(11) Rutland	\$124,126	\$128,967	\$137,221	\$144,631
(12) Washington	\$95,379	\$99,099	\$105,441	\$111,135
(13) Windham	\$77,089	\$80,095	\$85,221	\$89,823
(14) Windsor	\$104,527	\$108,604	\$115,555	\$121,795

(b) Probate judges shall be entitled to be paid by the State for their actual and necessary expenses under the rules pertaining to classified State employees. The compensation for the Probate judge of the Chittenden District shall be for full-time service.

(c) All Probate judges, regardless of the number of hours worked annually, shall be eligible to participate in all employee benefits that are available to exempt employees of the Judicial Department.

Sec. G.107 32 V.S.A. § 1182 is amended to read:

§ 1182. SHERIFFS

(a) The sheriffs of all counties except Chittenden shall be entitled to receive salaries in the amount of ~~\$94,085.00~~ \$104,010.00 as of ~~July 3, 2022~~ July 14, 2024 and ~~\$97,754.00~~ \$109,627.00 as of ~~July 2, 2023~~ July 13, 2025. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~\$99,566.00~~ \$110,070.00 as of ~~July 3, 2022~~ July 14, 2024 and ~~\$103,449.00~~ \$116,014.00 as of ~~July 2, 2023~~ July 13, 2025.

(b) Compensation under subsection (a) of this section shall be reduced by 10 percent for any sheriff who has not obtained Level III law enforcement officer certification under 20 V.S.A. § 2358.

Sec. G.108 32 V.S.A. § 1183 is amended to read:

§ 1183. STATE'S ATTORNEYS

(a) The State's Attorneys shall be entitled to receive annual salaries as follows:

<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 3,</u> <u>2022</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 2,</u> <u>2023</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 14,</u> <u>2024</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 13,</u> <u>2025</u>
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(1) Addison County	\$127,265	\$132,228	\$140,691	\$148,288
(2) Bennington County	\$127,265	\$132,228	\$140,691	\$148,288
(3) Caledonia County	\$127,265	\$132,228	\$140,691	\$148,288
(4) Chittenden County	\$133,051	\$138,240	\$147,087	\$155,030
(5) Essex County	\$95,451	\$99,174	\$105,521	\$111,219
(6) Franklin County	\$127,265	\$132,228	\$140,691	\$148,288
(7) Grand Isle County	\$95,451	\$99,174	\$105,521	\$111,219
(8) Lamoille County	\$127,265	\$132,228	\$140,691	\$148,288
(9) Orange County	\$127,265	\$132,228	\$140,691	\$148,288
(10) Orleans County	\$127,265	\$132,228	\$140,691	\$148,288
(11) Rutland County	\$127,265	\$132,228	\$140,691	\$148,288
(12) Washington County	\$127,265	\$132,228	\$140,691	\$148,288
(13) Windham County	\$127,265	\$132,228	\$140,691	\$148,288
(14) Windsor County	\$127,265	\$132,228	\$140,691	\$148,288

(b) In settlement of their accounts, the Commissioner of Finance and Management shall allow the State's Attorneys the expense of printing briefs in cases in which the State's Attorney has represented the State and their necessary and actual expenses under the rules pertaining to classified State employees.

Sec. G.109 PAY ACT APPROPRIATIONS; FISCAL YEARS 2025 AND 2026

(a) Executive Branch. The first and second years of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the Defender General, Non-Management, Supervisory, and Corrections bargaining units, and, for the purpose of appropriation, the State's Attorneys' offices bargaining unit, for the period of July 1, 2024 through June 30, 2026; the collective bargaining agreement with the Vermont Troopers' Association for the period of July 1, 2024 through June 30, 2026; and salary increases for employees in the Executive Branch not covered by the bargaining agreements shall be funded as follows:

(1) Fiscal year 2025.

(A) General Fund. The amount of \$27,279,337.00 is appropriated from the General Fund to the Secretary of Administration for distribution to

departments to fund the fiscal year 2025 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$2,500,000.00 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2025 collective bargaining agreements and the requirements of this act.

(C) Other funds. The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2025 collective bargaining agreements and the requirements of this act. The estimated amounts are \$25,627,057.00 from a special fund, federal funds, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2025, the Secretary of Administration may transfer from the various appropriations and various funds and from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the purposes of this act to the various agencies supported by State funds.

(2) Fiscal year 2026.

(A) General Fund. The amount of \$24,644,442.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2026 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$3,000,000.00 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2026 collective bargaining agreements and the requirements of this act.

(C) Other funds. The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2026 collective bargaining agreements and the requirements of this act. The estimated amounts are \$27,868,854.00 from a special fund, federal funds, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2026, the Secretary of Administration may transfer from the various appropriations and various funds and from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the purposes of this act to the various agencies supported by State funds.

(3) This section shall include sufficient funding to ensure administration of exempt pay plans authorized by 32 V.S.A. § 1020(c).

(b) Judicial Branch.

(1) Extension to noncovered employees. The Chief Justice of the Vermont Supreme Court may extend the provisions of the Judiciary's collective bargaining agreement to Judiciary employees who are not covered by the bargaining agreement.

(2) Fiscal year 2025. The first year of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the judicial bargaining unit for the period of July 1, 2024 through June 30, 2025 and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows: the amount of \$2,470,963.00 is appropriated from the General Fund and the amount of \$185,986.00 is provided from other sources to the Judiciary to fund the fiscal year 2025 collective bargaining agreement and the requirements of this act.

(3) Fiscal year 2026. The second year of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the judicial bargaining unit for the period of July 1, 2025 through June 30, 2026 and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows: the amount of \$2,388,783.00 is appropriated from the General Fund and the amount of \$179,801.00 is provided from other sources to the Judiciary to fund the fiscal year 2026 collective bargaining agreement and the requirements of this act.

(c) Legislative Branch.

(1) For the period of July 1, 2024 through June 30, 2025, the General Assembly, including all Legislative Branch employees, shall be funded as follows: the amount of \$884,808.00 is appropriated from the General Fund to the Legislative Branch.

(2) For the period of July 1, 2025 through June 30, 2026, the General Assembly, including all Legislative Branch employees, shall be funded as follows: the amount of \$758,613.00 is appropriated from the General Fund to the Legislative Branch.

\* \* \* Effective Dates \* \* \*

Sec. F.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, 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.306.4 shall take effect on January 1, 2026.

(d) Sec. E.318.2 shall take effect on July 1, 2025.

(e) Sec. F.100 shall take effect on January 1, 2025.

(f) 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.

*M. JANE KITCHEL*

*ANDREW PERCHLIK*

*RICHARD A. WESTMAN*

*Committee on the part of the Senate*

*DIANE LANPHER*

*ROBIN SCHEU*

*THERESA WOOD*

*Committee on the part of the House*

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative, on a roll call, Yeas 24, Nays 2.

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

### **Roll Call**

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

**Those Senators who voted in the negative were:** Vyhovsky, Wrenner.

**Those Senators absent and not voting were:** Gulick, Ram Hinsdale, Sears.

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

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**Joint Senate Resolutions Adopted on the Part of the Senate****J.R.S. 56.**

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. 56.** Joint resolution relating to final adjournment of the General Assembly in 2024.

***Resolved by the Senate and House of Representatives***

That when the President of the Senate and the Speaker of the House of Representatives adjourn their respective houses on the tenth or eleventh day of May, 2024, they shall do so to reconvene on the seventeenth day of June, 2024, at ten o'clock in the forenoon if the Governor should fail to approve and sign any bill and should he return it to the house of origin with his objections in writing after such adjournment, but if the Governor should *not* so return any bill to either house, to be adjourned *sine die*.

**Bills Delivered**

Senator Baruth moved that pursuant to Joint Rule 15 that all bills passed by both the Senate and the House be ordered to the Governor.

Which was agreed to.

**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 All Members of the Senate,

**S.C.R. 17.**

Senate concurrent resolution honoring the nearly four decades of conscientious legislative service of former Vermont Senate Dean Richard T. Mazza of Colchester.

By Senators Sears and Champion,

By Reps. Bongartz and others,

**S.C.R. 19.**

Senate concurrent resolution honoring Sue Allen for her exemplary career in journalism, government, politics, and the nonprofit sector.

**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. Mrowicki,

By Senators Hashim and Harrison,

**H.C.R. 247.**

House concurrent resolution in memory of Norman Paul Bartlett of Putney.

By Rep. Durfee,

By Senators Campion and Sears,

**H.C.R. 248.**

House concurrent resolution congratulating Shaftsbury First Assistant Fire Chief Michael Taylor on being named the 2024 Shaftsbury Ordinary Hero Award winner.

By Reps. Priestley and others,

By Senators Collamore, Hardy, Perchlik, Watson, Weeks and Wrenner,

**H.C.R. 249.**

House concurrent resolution recognizing May 6–12, 2024 as National Nurses Week in Vermont and designating May 9, 2024 as ANA-Vermont Hill Day at the State House.

By Rep. Bartley,

**H.C.R. 250.**

House concurrent resolution recognizing the importance of public awareness of tardive dyskinesia.

By Rep. Roberts,

By Senator Harrison,

**H.C.R. 251.**

House concurrent resolution recognizing June 2024 as National Scoliosis Awareness Month in Vermont.

By Rep. Rice,

**H.C.R. 252.**

House concurrent resolution congratulating the JK Adams Co. of Dorset on its 80th anniversary.

By Reps. Houghton and others,

**H.C.R. 253.**

House concurrent resolution honoring Washington County Mental Health Services Executive Director and former Commissioner of the Department of Mental Health Mary Moulton of Moretown on her extraordinary leadership.

By Reps. Morrissey and others,

By Senators Campion and Sears,

**H.C.R. 254.**

House concurrent resolution honoring Michele Burgess for her 47-plus years of outstanding and supportive service at the Vermont Veterans' Home.

By Reps. Morrissey and others,

By Senators Campion and Sears,

**H.C.R. 255.**

House concurrent resolution honoring Barbara Reilly for her more than four decades of dedicated public service at the Vermont Veterans' Home.

By House Committee on Agriculture, Food Resiliency and Forestry,

By Senate Committee on Agriculture,

**H.C.R. 256.**

House concurrent resolution honoring Theresa Snow for her leadership in the promotion of agricultural gleaning in Vermont.

By Reps. Berbeco and others,

**H.C.R. 257.**

House concurrent resolution recognizing May 2024 as Mental Health Awareness Month in Vermont.

By Reps. Noyes and others,

By Senator Westman,

**H.C.R. 258.**

House concurrent resolution honoring Michelle Carter of Barre City on the 30th anniversary of her dedicated service as a Vermont Legal Aid Long-Term Care Ombudsman.

By Reps. Noyes and Carpenter,

By Senator Westman,

**H.C.R. 259.**

House concurrent resolution honoring Lynda Hill for her enthusiastic and beneficial community service in the Town of Johnson.

By Rep. Christie,

**H.C.R. 260.**

House concurrent resolution honoring the Tuskegee Airmen of World War II.

**Secretary Directed to Inform the House of Completion of Business**

On motion of Senator Baruth, the Secretary was directed to inform the House that the Senate has completed the business of the session and is ready on its part to adjourn *sine die*, pursuant to the provisions of J.R.S. 56.

**Committee Appointed to Inform Governor of Completion of Business**

On motion of Senator Baruth, the President appointed the following three Senators as members of a Committee to wait upon His Excellency, Philip B. Scott, the Governor, and inform him that the Senate has completed the business of the session and is ready on its part to adjourn *sine die*, pursuant to the provisions of J.R.S. 56:

Senator McCormack

Senator Starr

Senator Baruth

**Report of Committee**

The Committee appointed to wait upon His Excellency, the Governor, to inform him that the Senate had, on its part, completed the business of the session and was ready to adjourn *sine die*, pursuant to the provisions of J.R.S. 56, performed the duties assigned to it and escorted the Governor to the rostrum where he delivered his remarks in person.

**Remarks of Governor**

The Honorable Philip B. Scott, Governor of the State of Vermont, was escorted to the rostrum and briefly addressed the Senate.



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**Departure of Governor**

The Governor, having completed the delivery of his message, was escorted from the Chamber by the Committee appointed by the President.

**Final Adjournment**

On motion of Senator Baruth, at one o'clock and fifteen minutes in the morning (1:15 A.M.), the Senate adjourned *sine die*, pursuant to the provisions of J.R.S. 56.

**Messages Received After Adjournment**

After final adjournment, the following messages were received by the Secretary:

**Message from the House No. 84**

A message was received from the House of Representatives by Ms. 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 of the following title:

**H. 55.** An act relating to miscellaneous unemployment insurance amendments.

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

**Message from the House No. 85**

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 on its part completed the business of the second half of the Biennial session and is ready to adjourn *sine die*, pursuant to the provisions of J.R.S. 56.

**Message from the House No. 86**

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. 56.** Joint resolution relating to final adjournment of the General Assembly 2024.

And has adopted the same in concurrence.

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

**S. 96.** An act relating to privatization contracts.

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

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

**H. 10.** An act relating to amending the Vermont Employment Growth Incentive Program.

**H. 233.** An act relating to licensure and regulation of pharmacy benefit managers.

**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. 622.** An act relating to emergency medical services.

**H. 626.** An act relating to animal welfare.

**H. 630.** An act relating to boards of cooperative education services.

**H. 645.** An act relating to the expansion of approaches to restorative justice.

**H. 657.** An act relating to the modernization of Vermont's communications taxes and fees.

**H. 704.** An act relating to disclosure of compensation in job advertisements.

**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.

**H. 875.** An act relating to the State Ethics Commission and the State Code of Ethics.

**H. 876.** An act relating to miscellaneous amendments to the corrections laws.

**H. 877.** An act relating to miscellaneous agricultural subjects.

And has severally concurred therein.

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

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

And has concurred therein.

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

**H. 121.** An act relating to enhancing consumer privacy and the age-appropriate design code.

**H. 687.** An act relating to community resilience and biodiversity protection through land use.

And has severally concurred therein.

The House has considered the reports of the Committees of Conference upon the disagreeing votes of the two Houses on House bills of the following titles:

**H. 534.** An act relating to retail theft.

**H. 546.** An act relating to administrative and policy changes to tax laws.

**H. 563.** An act relating to criminal motor vehicle offenses involving unlawful trespass, theft, or unauthorized operation.

**H. 868.** An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

**H. 882.** An act relating to capital construction and State bonding budget adjustment.

**H. 883.** An act relating to making appropriations for the support of government.

And has severally adopted the same on its part.

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

**H.C.R. 247.** House concurrent resolution in memory of Norman Paul Bartlett of Putney.

**H.C.R. 248.** House concurrent resolution congratulating Shaftsbury First Assistant Fire Chief Michael Taylor on being named the 2024 Shaftsbury Ordinary Hero Award winner.

**H.C.R. 249.** House concurrent resolution recognizing May 6–12, 2024 as National Nurses Week in Vermont and designating May 9, 2024 as ANA-Vermont Hill Day at the State House.

**H.C.R. 250.** House concurrent resolution recognizing the importance of public awareness of tardive dyskinesia.

**H.C.R. 251.** House concurrent resolution recognizing June 2024 as National Scoliosis Awareness Month in Vermont.

**H.C.R. 252.** House concurrent resolution congratulating the JK Adams Co. of Dorset on its 80th anniversary.

**H.C.R. 253.** House concurrent resolution honoring Washington County Mental Health Services Executive Director and former Commissioner of the Department of Mental Health Mary Moulton of Moretown on her extraordinary leadership.

**H.C.R. 254.** House concurrent resolution honoring Michele Burgess for her 47-plus years of outstanding and supportive service at the Vermont Veterans' Home.

**H.C.R. 255.** House concurrent resolution honoring Barbara Reilly for her more than four decades of dedicated public service at the Vermont Veterans' Home.

**H.C.R. 256.** House concurrent resolution honoring Theresa Snow for her leadership in the promotion of agricultural gleanings in Vermont.

**H.C.R. 257.** House concurrent resolution recognizing May 2024 as Mental Health Awareness Month in Vermont.

**H.C.R. 258.** House concurrent resolution honoring Michelle Carter of Barre City on the 30th anniversary of her dedicated service as a Vermont Legal Aid Long-Term Care Ombudsman.

**H.C.R. 259.** House concurrent resolution honoring Lynda Hill for her enthusiastic and beneficial community service in the Town of Johnson.

**H.C.R. 260.** House concurrent resolution honoring the Tuskegee Airmen of World War II.

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. 16.** Senate concurrent resolution honoring Senator Richard McCormack for his dedicated legislative service in the Vermont Senate.

**S.C.R. 17.** Senate concurrent resolution honoring the nearly four decades of conscientious legislative service of former Vermont Senate Dean Richard T. Mazza of Colchester.

**S.C.R. 18.** Senate concurrent resolution honoring Senator Robert A. Starr of Orleans District for his decades of distinguished public service.

**S.C.R. 19.** Senate concurrent resolution honoring Sue Allen for her exemplary career in journalism, government, politics, and the nonprofit sector.

And has adopted the same in concurrence.

### **Message from the House No. 87**

A message was received from the House of Representatives by Ms. BetsyAnn Wrask, its Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on May 13, 2024, he approved and signed bills originating in the House of the following titles:

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

**H. 350.** An act relating to the Uniform Directed Trust Act.

**H. 606.** An act relating to professional licensure and immigration status.

**H. 629.** An act relating to changes to property tax abatement and tax sales.

**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.

**H. 884.** An act relating to the modernization of governance for the St. Albans Cemetery Association.

The Governor has informed the House that on May 13, 2024, he did not approve and allowed to become law without his signature a bill originating in the House of the following title:

**H. 649.** An act relating to the Vermont Truth and Reconciliation Commission.

**Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **House Bill No. 649** is as follows:

“May 13, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Today I am allowing H.649, *An act relating to the Vermont Truth and Reconciliation Commission*, to become law without my signature.

I am concerned that although the Truth and Reconciliation Commission is a taxpayer-funded governmental body, with a budget of over \$1 million in Fiscal Year 2025, this bill carves out a special exception from the Open Meetings Law for Commission deliberations. This means there will be no visibility into the Commission’s consideration of evidence or testimony, or discussions of the reasons for or against the Commission’s acts or decisions.

As the Vermont Supreme Court has noted, the overriding goal of open government “is nothing less than foundational to our republic. In the words of John Adams:

Liberty cannot be preserved without a general knowledge among the people, who have a right ... and a desire to know; but besides this, they have a right, an independent right, an indisputable, unalienable, indefeasible, divine right to that most dreaded and envied kind of knowledge, I mean of the characters and conduct of their rulers.” Hum. Rts. Def. Ctr. v. Correct Care Sols., LLC, 2021 VT 63 (2021).

I understand the politics are sensitive, but knowing what the government is doing and how it’s doing it is fundamental to a healthy, functioning democracy regardless of the politics.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

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**Message from the House No. 88**

A message was received from the House of Representatives by Ms. BetsyAnn Wrask, its Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on May 20, 2024, he approved and signed bills originating in the House of the following titles:

**H. 659.** An act relating to banking, insurance, and securities.

**H. 766.** An act relating to prior authorization and step therapy requirements, health insurance claims, and provider contracts.

The Governor has informed the House that on May 20, 2024, he returned without signature and vetoed a bill originating in the House of the following title:

**H. 706.** An act relating to banning the use of neonicotinoid pesticides.

**Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 706** is as follows:

“May 20, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I’m returning H.706, *An act relating to banning the use of neonicotinoid pesticides*, without my signature because of my objections described herein.

Pollinators are essential to growing food and maintaining a healthy, thriving ecosystem. The same is true of farmers, who are also critical contributors to our economy, but altogether, this legislation is more anti-farmer than it is pro-pollinator.

It’s important to note, the honeybee population has grown, while the use of neonics has persisted. In fact, the USDA Census for 2017-2022 shows Vermont’s honeybee population has grown about 30 percent. Additionally, the science is not conclusive on whether this ban will achieve the desired results,

but the bill has the potential to produce severe unintended environmental and economic consequences—particularly for Vermont’s dairy farmers.

Although neonics are approved by the U.S. Environmental Protection Agency and used on a variety of crops, this bill would ban neonic-treated seeds of corn, soybean, and all other cereal grains (wheat, rice, oats, etc.) and it bans outdoor uses on soybeans, cereal grains, ornamental plants, any plant in bloom and certain vegetables after bloom.

To put the impacts of this bill into context, Vermont grows about 90,000 acres of corn, while the U.S. grows 90 million acres of corn, and almost all corn seed sold in the U.S. is treated with neonics. This would put Vermont farmers at a significant disadvantage.

This is especially concerning given the fact Vermont is struggling to keep dairy farmers, and many more have been put at risk through higher taxes and energy prices, crop losses associated with last year’s spring frost, and summer and winter floods.

This bill unfairly targets dairy farmers reliant on corn crops and will harm farmers without achieving its goals for pollinators. For these reasons I cannot sign it into law.

Rather than eliminating an important EPA-approved tool, we should continue to closely monitor and study the issues and science to protect both family farms – and the food they produce – and pollinators.

Sincerely,

/s/Philip B. Scott

Governor

PBS/kp”

### **Message from the Governor**

A message was received from His Excellency, the Governor, by Ms. Brittny 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 23rd day of May, 2024, he approved and signed bills originating in the Senate of the following titles:

**S. 120.** An act relating to postsecondary schools and sexual misconduct protections.

**S. 189.** An act relating to mental health response service guidelines and the safety of social service and home health providers.



**S. 196.** An act relating to the types of evidence permitted in weight of the evidence hearings.

### **Message from the House No. 89**

A message was received from the House of Representatives by Ms. BetsyAnn Wrask, its Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on May 23, 2024, he approved and signed bills originating in the House of the following titles:

**H. 247.** An act relating to Vermont’s adoption of the Occupational Therapy Licensure Compact.

**H. 883.** An act relating to making appropriations for the support of government.

The Governor has informed the House that on May 23, 2024, he returned without signature and vetoed a bill originating in the House of the following title:

**H. 289.** An act relating to the Renewable Energy Standard.

### **Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 289** is as follows:

“May 23, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I’m returning H.289, *An act relating to the Renewable Energy Standard*, without my signature because of my objections described herein.

I don’t believe there is any debate that H.289 will raise Vermonters’ utility rates, likely by hundreds of millions of dollars. And while that in itself is reason enough to earn a veto, it is even more frustrating when you consider our Department of Public Service proposed to the Legislature a much stronger plan at a fraction of the cost.

Their proposal was crafted after 18 months of engagement with Vermonters about what *they* want their energy policy to look like. It would get us to where we all want to go faster, more affordably and more equitably than H.289.

For the reasons stated above, and factoring in all the other taxes, fees and higher costs the Legislature has passed over the last two years, I simply cannot allow this bill to go into law.

With a better alternative to this bill available, I sincerely hope that the Legislature will think about Vermonters and the cost of living, and sustain this veto.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

#### **Message from the Governor**

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 28th day of May, 2024, he approved and signed bills originating in the Senate of the following titles:

**S. 159.** An act relating to the County and Regional Governance Study Committee.

**S. 183.** An act relating to reenvisioning the Agency of Human Services.

**S. 246.** An act relating to amending the Vermont basic needs budget and livable wage.

#### **Message from the Governor**

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 28th day of May, 2024, he did not approve and *allowed to become law without his signature* a bill originating in the Senate of the following title

**S. 102.** An act relating to expanding employment protections and collective bargaining rights.

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**Text of Communication from Governor**

The text of the communication to the Senate from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **Senate Bill No. 102**, is as follows:

“May 28, 2024

The Honorable John Bloomer  
Secretary of the Vermont State Senate  
115 State Street  
Montpelier, VT 05633

Dear Mr. Bloomer:

I’m allowing S.102, *An act relating to expanding employment protections and collective bargaining rights*, to become law without my signature. One concern with the bill is the potential to adversely impact the employer-employee relationship by limiting an employer’s ability to communicate their point of view on a range of issues, including the advantages and disadvantages of unionization.

Further, the “card check” provision of S.102 will affect non-unionized employees in public school districts, State and municipal government, other governmental subdivision entities and potentially domestic workers, which could lead to higher municipal and property taxes in the future.

I’m also concerned that S.102 is a slippery slope to future disruptions in the employee-employer relationship in agriculture, domestic services and independent contracting as well as any local businesses and non-profits working solely within state lines.

Fortunately, the National Labor Relations Act (NLRA) will help limit the adverse impacts of this bill on the private sector, which is why I can allow S.102 to become law without my signature.

However, I urge the Legislature to monitor the economic, affordability and tax burden impacts of this policy as it moves forward.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

**Message from the Governor**

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 28th day of May, 2024, he did not approve and *allowed to become law without his signature* 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.

**Text of Communication from Governor**

The text of the communication to the Senate from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **Senate Bill No. 209** is as follows:

“May 28, 2024

The Honorable John Bloomer  
Secretary of the Senate  
115 State Street  
Montpelier, VT 05633

Dear Secretary Bloomer:

Today I’m allowing S.209, *An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers*, to become law without my signature.

As a public safety measure, I agree firearms should be serialized, which is why I’m allowing this bill to become law despite some concerns about its practicality and impact.

Over the last decade, as anti-policing policies increased and criminal accountability has steadily decreased, violent crime has grown in Vermont. This is why I believe we should instead focus on measures that will reverse these trends over those, like S.209, that are unlikely to have any measurable impact on violent crime.

In addition to my concerns about this bill’s effectiveness, I would have preferred the Legislature not criminalize mere possession when there is no evidence of criminal intent. I also strongly believe the Legislature should reinstate the gun show exemption to the 3-day waiting period, which was supported by the Senate this session, and I hope the Legislature will revisit this next session. The 3-day waiting period was enacted to prevent individuals from impulsively purchasing a weapon to take their own life, and the evidence does not support that these types of purchases would happen at a gun show.

I appreciate, however, that legislators found some middle ground and removed the 3-day waiting period for a firearm owner seeking to have a

firearm serialized. The waiting period, which like gun shows, made no sense in this context and would have deterred compliance.

Again, while my concerns on the practical impacts and enforceability keep me from signing this bill, I'm allowing it to go into law because I understand the fears behind access to untraceable firearms and respect the effort to tailor the scope and exceptions to limit impact for law abiding citizens.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

### **Message from the Governor**

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 29th day of May, 2024, he approved and signed bills originating in the Senate of the following titles

**S. 58.** An act relating to public safety.

**S. 114.** An act relating to the establishment of the Psychedelic Therapy Advisory Working Group

### **Message from the House No. 90**

A message was received from the House of Representatives by Ms. BetsyAnn Wrask, its Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on May 29, 2024, he approved and signed bills originating in the House of the following titles:

**H. 862.** An act relating to approval of amendments to the charter of the Town of Barre.

**H. 869.** An act relating to approval of the merger of Brandon Fire District No. 1 and Brandon Fire District No. 2.

**H. 872.** An act relating to miscellaneous updates to the powers of the Vermont Criminal Justice Council and the duties of law enforcement officers.

**H. 881.** An act relating to approval of an amendment to the charter of the

City of Burlington.

**H. 885.** An act relating to approval of an amendment to the charter of the Town of Berlin.

**H. 888.** An act relating to approval of amendments to the charter of the Town of Hartford.

### **Message from the Governor**

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 30th day of May, 2024, he approved and signed bills originating in the Senate of the following titles:

**S. 25.** An act relating to regulating consumer products containing perfluoroalkyl and polyfluoroalkyl substances or other chemicals.

**S. 30.** An act relating to creating a Sister State Program.

**S. 55.** An act relating to updating Vermont's Open Meeting Law.

**S. 98.** An act relating to Green Mountain Care Board authority over prescription drug costs and the Green Mountain Care Board nomination and appointment process.

**S. 184.** An act relating to the temporary use of automated traffic law enforcement (ATLE) systems.

**S. 191.** An act relating to New American educational grant opportunities.

**S. 192.** An act relating to civil commitment procedures at a secure residential recovery facility and a psychiatric residential treatment facility for youth and civil commitment procedures for individuals with an intellectual disability.

**S. 195.** An act relating to how a defendant's criminal record is considered in imposing conditions of release.

**S. 204.** An act relating to supporting Vermont's young readers through evidence-based literacy instruction.

**S. 206.** An act relating to designating Juneteenth as a legal holiday.

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

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

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

### Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 30th day of May, 2024, a bill originating in the Senate of the following title shall become law without his signature:

**S. 213** An act relating to the regulation of wetlands, river corridor development, and dam safety.

### Text of Communication from Governor

The text of the communication from His Excellency, the Governor, whereby **Senate Bill No. 213** shall become law without his signature, is as follows:

“May 30, 2024

The Honorable John Bloomer  
Secretary of the Vermont State Senate  
115 State Street  
Montpelier, VT 05633

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, S.213, *An act relating to the regulation of wetlands, river corridor development, and dam safety*, will become law without my signature.

S.213 is another example of this Legislature’s practice of passing complex and significant policies without appropriate consideration of whether they can even be implemented.

Throughout the session, the Agency of Natural Resources’ subject matter experts repeatedly told legislators that the work required in the bill is not achievable in the timeline it sets.

Specifically, S.213 envisions a major new river corridor regulatory program – which will impact development on roughly 45,000 parcels and 209,000 acres statewide – will be up and running in three years. And this is just one of the four complex initiatives this bill directs – including expanded regulation of wetlands and dam safety oversight. With the program anticipated to have a sizeable impact on communities and landowners, this pace is reckless.

However, we also told legislators throughout the session, we support the goals and agree this work needs to be done. Therefore, this bill will become law without my signature, but you can expect us to come back in January and propose a sensible timeline that is actually achievable and does this work correctly for the people of Vermont.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

### **Message from the Governor**

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 30th day of May, 2024, a bill originating in the Senate of the following title shall become law without his signature:

**S. 259** An act relating to climate change cost recovery.

### **Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby **Senate Bill No. 259** shall become law without his signature, is as follows:

“May 30, 2024

The Honorable John Bloomer  
Secretary of the Vermont State Senate  
115 State Street  
Montpelier, VT 05633

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, S.259, *An act relating to climate change cost recovery*, will become law without my signature.

Instead of coordinating with other states like New York and California, with far more abundant resources, Vermont – one of the least populated states with the lowest GDP in the country – has decided to recover costs associated with climate change on its own.

Taking on “Big Oil” should not be taken lightly. And with just \$600,000 appropriated by the Legislature to complete an analysis that will need to



withstand intense legal scrutiny from a well-funded defense, we are not positioning ourselves for success.

I'm deeply concerned about both short- and long-term costs and outcomes. Just look at our unsuccessful nationally-focused cases on GMOs, campaign finance and pharmaceutical marketing practices. I'm also fearful that if we fail in this legal challenge, it will set precedent and hamper other states' ability to recover damages.

Having said that, I understand the desire to seek funding to mitigate the effects of climate change that has hurt our state in so many ways. I also note Attorney General Clark and Treasurer Pieciak have endorsed this policy and committed to the work it will require. I'm also comforted by the fact that the Agency of Natural Resources is required to report back to the Legislature in January 2025 on the feasibility of this effort, so we can reassess our go-it-alone approach. So, for these reasons, this bill will become law without my signature. I hope those who endorsed this policy will follow through.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

### **Message from the House No. 91**

A message was received from the House of Representatives by Ms. BetsyAnn Wrask, its Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on May 30, 2024, he approved and signed bills originating in the House of the following titles:

**H. 233.** An act relating to licensure and regulation of pharmacy benefit managers.

**H. 503.** An act relating to approval of amendments to the charter of the Town of St. Johnsbury.

**H. 534.** An act relating to retail theft.

**H. 563.** An act relating to unlawful trespass in a motor vehicle and unauthorized operation of a motor vehicle without the owner's consent.

**H. 585.** An act relating to amending the pension system for sheriffs and certain deputy sheriffs.

The Governor has informed the House that on May 30, 2024, he returned without signature and vetoed a bill originating in the House of the following title:

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

**Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 72** is as follows:

“May 30, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I’m returning H.72, *An act relating to harm-reduction criminal justice response to drug use*, without my signature because of my objections described herein.

Drug addiction is something we must continuously address, and this important work is never done. That’s why year after year, I have prioritized expansion and enhancement of prevention, enforcement, treatment, and long-term recovery services. I have been urging the Legislature to strengthen the law enforcement response to the increasingly toxic drug stream entering our state. And I feel for every family grieving an overdose death.

While these sites are well-intentioned, this costly experiment will divert financial resources from proven prevention, treatment and recovery strategies, as well as harm reduction initiatives that facilitate entry into treatment rather than continued use. While it may consolidate the widespread drug use in Burlington into a smaller area within the city, it will come at the expense of the treatment and recovery needs of other communities, for whom such a model will not work.

Vermont’s existing overdose prevention strategies – including widespread Narcan distribution, fentanyl testing strips, needle exchanges, enhanced prevention, treatment and recovery through local coalitions are resulting in some positive trends in relation to overdose deaths. And paired with increased enforcement, and the ability to invest Opioid Settlement funds in additional strategies like drug testing, naloxone vending machines, contingency management and expanded outreach, I’m hopeful we will continue to see fewer and fewer overdose deaths.

Sincerely,  
/s/Philip B. Scott  
Governor

PBS/kp”

### **Message from the Governor**

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 3rd day of June, 2024, he approved and signed bills originating in the Senate of the following titles:

**S. 220.** An act relating to Vermont’s public libraries.

**S. 253.** An act relating to building energy codes.

**S. 254** An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program.

### **Message from the House No. 92**

A message was received from the House of Representatives by Ms. BetsyAnn Wrask, its Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 3, 2024, he approved and signed bills originating in the House of the following titles:

**H. 546.** An act relating to administrative and policy changes to tax laws.

**H. 657.** An act relating to the modernization of Vermont’s communications taxes and fees.

**H. 707.** An act relating to revising the delivery and governance of the Vermont workforce system.

**H. 794.** An act relating to services provided by the Vermont Veterans’ Home.

**H. 868.** An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

**H. 871.** An act relating to the development of an updated State aid to school construction program.

**Message from the House No. 93**

A message was received from the House of Representatives by Ms. BetsyAnn Wrask, its Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 4, 2024, he approved and signed bills originating in the House of the following titles:

**H. 614.** An act relating to land improvement fraud and timber trespass.

**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. 867.** An act relating to miscellaneous amendments to the laws governing alcoholic beverages and the Board of Liquor and Lottery.

**H. 886.** An act relating to approval of amendments to the charter of the City of South Burlington.

The Governor has informed the House that on June 4, 2024, he returned without signature and vetoed a bill originating in the House of the following title:

**H. 645.** An act relating to the expansion of approaches to restorative justice.

**Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 645** is as follows:

“June 4, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.645, *An act relating to the expansion of approaches to restorative justice*, without my signature because of my objections described herein.

While I understand the desire to help those, particularly youth, who need second, third and even fourth chances to get their lives on track, H.645 is not workable because it is not funded.

The bottom line is this bill expands the responsibilities of the Office of the Attorney General, which will require additional resources, and yet the new work is not funded.

There is no guarantee we will have the taxpayer money needed to fund it next year. For this reason, I'm returning this bill without my signature.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

#### **Message from the Governor**

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 6th day of June, 2024, he approved and signed bills originating in the Senate of the following titles:

**S. 186.** An act relating to the systemic evaluation of recovery residences and recovery communities.

**S. 302.** An act relating to public health outreach programs regarding dementia risk.

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

#### **Message from the House No. 94**

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 6, 2024, he returned without signature and vetoed a bill originating in the House of the following title:

**H. 887.** An act relating to homestead property tax yields, nonhomestead rates, and policy changes to education finance and taxation.

**Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 887** is as follows:

“June 6, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I’m vetoing H.887, *An act relating to homestead property tax yields, nonhomestead rates, and policy changes to education finance and taxation*, because of my objections described herein.

Vermonters cannot afford a double-digit property tax increase. Especially while facing a historic eight-percent property tax increase last year, a 20% increase in DMV fees, a new payroll tax taking effect July 1, increased fuel costs to heat homes and businesses from the Clean Heat Standard, and increased electric costs if my veto of the Renewable Energy Standard is not sustained. All on top of several years of inflation – the most regressive tax of all – driving up the cost of household essentials like food, clothing and services faster than paychecks are growing.

We must provide property tax relief now. This can’t wait for another study before implementing cost containment strategies. We must also reform our education funding formula to ensure sustainable spending growth and equitable opportunities, and prioritize funding educational opportunities that improve outcomes by reinvesting in the strategies that best serve kids over maintaining the status quo.

We can achieve each of these goals this year if legislators will work with me.

Sincerely,

Philip B. Scott  
Governor

PBS/kp”

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**Message from the House No. 95**

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 6, 2024, he approved and signed bills originating in the House of the following titles:

**H. 622.** An act relating to emergency medical services.

**H. 870.** An act relating to professions and occupations regulated by the Office of Professional Regulation.

**H. 876.** An act relating to miscellaneous amendments to the corrections laws.

**H. 877.** An act relating to miscellaneous agricultural subjects.

**H. 878.** An act relating to miscellaneous judiciary procedures.

**H. 882.** An act relating to capital construction and State bonding budget adjustment.

**Message from the House No. 96**

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 10, 2024, he approved and signed bills originating in the House of the following titles:

**H. 626.** An act relating to animal welfare.

**H. 780.** An act relating to judicial nominations and appointments.

**H. 847.** An act relating to peer support provider and peer recovery support specialist certification.

The Governor has informed the House that on June 10, 2024, he did not approve and allowed to become law without his signature bills originating in the House of the following titles:

**H. 612.** An act relating to miscellaneous cannabis amendments.

**H. 630.** An act relating to improving access to high-quality education through community collaboration.

**H. 875.** An act relating to the State Ethics Commission and the State Code of Ethics.

**Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby **House Bill No. 612** shall become law without his signature, is as follows:

“June 10, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, H.612, *An act relating to miscellaneous cannabis amendments*, will become law without my signature. When cannabis became legal in Vermont, I emphasized safeguards around use, especially for our kids. This bill takes some steps forward, and some steps back, in this area.

On the positive side, it closes a loophole related to hemp infused products with THC. It ensures individuals with significant, documented medical needs continue to have access to medical cannabis. It makes progress toward safeguards for those under 21 seeking access to more potent medical products. And it’s responsive to municipal concerns regarding setbacks for outdoor cannabis cultivators.

I’m concerned, however, about warnings from healthcare providers that the availability of high potency medical cannabis products in more retail stores will increase use among those who do not have a valid medical prescription. I believe the Legislature should add additional guardrails and penalties to ensure medical cannabis cards are legitimately obtained and not illegally diverted. I’m also concerned that continued reductions in licensing fees will inevitably mean revenue dedicated to prevention will have to be used to fund Cannabis Control Board operations, instead of the prevention efforts we must continue to prioritize.

It’s important to note, the regulation of Vermont’s cannabis market remains vulnerable to powerful interests that favor profits over the health and wellbeing of children. Vermont must remain true to the approach the Legislature has crafted by continuing to prioritize prevention and the health of our communities over the profits of growers and retailers.



On balance, however, I believe the benefits of this bill still outweigh the risks and that we have an opportunity to further protect against harmful outcomes when the Legislature returns in January.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

### **Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby **House Bill No. 630** shall become law without his signature, is as follows:

“June 10, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, H.630, *An act relating to improving access to high-quality education through community collaboration*, will become law without my signature.

As Vermonters know all too well, taxpayers – and our entire economy – are straining under historic inflation, unsustainable growth in government spending, and the possibility of a double-digit tax rate increase if the Legislature overrides my veto of H.887. While H.630 is well intentioned, I’m concerned this bill creates another level of bureaucracy, when we need to create a more efficient and effective system.

We may disagree in some areas of education reform, but there is universal agreement in the need for a focused review of Vermont’s education system to reduce costs, increase equity, and improve student outcomes. Which leads me to believe H.630 could be putting the cart before the horse.

Having said that, this bill will become law without my signature because it gives communities the choice to opt into, or stay out of, a cooperative, and they have until July 1, 2026 to make that determination. This timeline provides an opportunity to prevent H.630 from becoming another idea from Montpelier that diverts education funding and management time away from the quality of our classrooms.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

### **Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby **House Bill No. 875** shall become law without his signature, is as follows:

“June 10, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, H.875, *An act relating to the State Ethics Commission and the State Code of Ethics* will become law without my signature.

A uniform statewide code of ethics that applies to all those performing public service in state government – across all three branches – and at the local level builds faith and trust in the institutions of our democracy. At a time when distrust in government is rising, and fear is used by politicians to divide us, the State has undertaken this important effort, as have many municipalities. I have been pleased to sign several previous ethics bills into law.

However, with the addition of municipal compliance, the Legislature did not fund reporting, investigations or the salary of a full-time Executive Director. These amount to another unfunded mandate, which could add to the municipal tax burden, and will add to the workload of municipal officials already working full tilt to take full advantage of the unprecedented investments in infrastructure my Administration is implementing.

The bill also has odd inconsistencies, in that it exempts school board members and some other local officials from having to meet the new requirements. Finally, I was troubled by changes to the composition of the Ethics Commission, to include members appointed by legislators, rather than by a neutral, non-partisan process.

Everyone seems to agree ethics policies across the whole of government are important, and for that reason, this bill will become law despite my concerns, and my hope is the Legislature will devote time next session to fix the issues VLCT has raised.

Sincerely,  
/s/Philip B. Scott  
Governor

PBS/kp”

**Message from the House No. 97**

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 12, 2024, he approved and signed bills originating in the House of the following titles:

**H. 173.** An act relating to prohibiting manipulating a child for the purpose of sexual contact.

**H. 644.** An act relating to access to records by individuals who were in foster care.

**H. 655.** An act relating to studies of policies and procedures regarding the sealing of criminal history records.

**H. 745.** An act relating to the Vermont Parentage Act.

**Message from the House No. 98**

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 13, 2024, he approved and signed bills originating in the House of the following titles:

**H. 10.** An act relating to amending the Vermont Employment Growth Incentive Program.

**H. 279.** An act relating to the Uniform Trust Decanting Act.

The Governor has informed the House that on June 13, 2024, he returned without signature and vetoed bills originating in the House of the following titles:

**H. 121.** An act relating to enhancing consumer privacy and the age-appropriate design code.

**H. 687.** An act relating to community resilience and biodiversity protection through land use.

**Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 121** is as follows:

“June 13, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I’m returning H.121, *An act relating to enhancing consumer privacy and the age-appropriate design code*, without my signature because of my objections herein. This bill creates an unnecessary and avoidable level of risk.

One area of risk comes from the bill’s “private right of action,” which would make Vermont a national outlier, and more hostile than any other state to many businesses and non-profits – a reputation we already hold in a number of other areas. I appreciate this provision is narrow in its impact, but it will still negatively impact mid-sized employers, and is generating significant fear and concern among many small businesses.

Another area of risk comes from the “Kids Code” provision. While this is an important goal we can all support, similar legislation in California has already been stopped by the courts for likely First Amendment violations. We should await the decision in that case to craft a bill that addresses known legal pitfalls before charging ahead with policy likely to trigger high risk and expensive lawsuits. Vermonters will already be on the hook for expensive litigation when the Attorney General takes on “Big Oil,” and should not have to pay for additional significant litigation already being fought by California.

Finally, the bill’s complexity and unique expansive definitions and provisions create big and expensive new burdens and competitive disadvantages for the small and mid-sized businesses Vermont communities rely on. These businesses are already poised to absorb an onslaught of new pressures passed by the Legislature over the last two years, including a payroll tax, a Clean Heat Standard, a possible Renewable Energy Standard (if my veto is overridden), not to mention significant property tax increases.

The bottom line is, we have simply accumulated too much risk. However, if the underlying goals are consumer data privacy and child protection, there is a path forward. Vermont should adopt Connecticut’s data privacy law, which

New Hampshire has largely done with its new law. Such regional consistency is good for both consumers and the economy.

Sincerely,

/s/Philip B. Scott

Governor

PBS/kp”

### Text of Communication from Governor

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 687** is as follows:

“June 13, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I’m returning H.687, *An act relating to community resilience and biodiversity protection through land use*, without my signature because of my objections described below. But first, I want to assure you, there is a path forward and I would respectfully ask the Legislature to pass a replacement bill that will result in more housing while protecting rural communities from additional economic harm.

Despite almost universal consensus, I don’t believe we’ve done nearly enough to address Vermont’s housing affordability crisis.

H.687 is heavily focused on conservation and actually expands Act 250 regulation. And it does so at a pace that will slow down current housing efforts. Vermonters need us to focus on building and restoring the homes communities desperately need to revitalize working class neighborhoods, reverse our negative demographic trends, and support economic investment in the future.

Specifically, I would suggest a compromise that would achieve more balance and could be passed next week, with the following changes to H.687:

- **Modify removal provisions for the chair and executive director of the Land Use Review Board and ensure some political balance** – This measure is critical to ensuring accountability to Vermonters and prevent overregulation that will harm rural communities.
- **Modify the current Road Rule with the Amendment proposed by Senator Sears** – The addition of the Road Rule is a significant expansion

of Act 250 that will make it harder to build. While I would prefer it be removed entirely, the Amendment proposed by Senator Sears would reduce the harmful impact. That amendment mirrors the recommendations of the Natural Resources Board (NRB) study group consensus report.

- **Extend the timeline to allow for reasonable implementation and more housing** – The current timeline for the new regulatory system is not achievable and will delay the permitting process for much-needed projects. Extending deadlines for interim exemptions to 2029 to coordinate with the start of the new system, will ensure Vermonters see the full benefit of the housing package, and a more thoughtful process.
- **Extend the interim exemptions to additional communities in need of housing** – Apply interim exemptions to areas serviced by municipal water and wastewater to give smaller, more rural communities the same opportunity for housing.
- **Increase the tools to spark revitalization of blighted units in low-income communities** – First, we should reverse the decision to exclude Bennington, Grand Isle and Essex counties from using the property tax value freeze available to every other county. Second, without impacting the FY25 budget, we can redirect new Property Transfer Tax revenue to increase the Downtown and Village Center Tax Credits by \$2 million. Third, implement the tri-partisan proposal for a Property Transfer Tax exemption when turning blighted properties into housing.
- **Make the 1B designation easier to achieve for long-term housing solutions** – Revert to the Senate-passed provision to automatically map all eligible Tier 1B areas while still enabling municipalities to opt-out of the Tier 1B designation, helping these communities benefit from housing exemptions sooner.
- **Limit appeals in designated areas to ensure interim exemptions can be used to boost housing** – Designated areas indicate that a community wants housing so limiting appeals makes sense and will allow the interim exemptions to have the jump-start effect we're seeking.

To be clear, I would not object to the remaining H.687 provisions if the above changes were made – meaning I'm conceding a significant number of concerns, because I'm committed to a responsible compromise.

Working together on these changes would demonstrate to Vermonters that prioritizing housing wasn't just a talking point.

Sincerely,  
/s/Philip B. Scott  
Governor

PBS/kp”

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**MONDAY, JUNE 17, 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 Governor**

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

Mr. President:

I am directed by the Governor to deliver to the Senate a communication in writing.

**Appointment Journalized**

The President laid before the Senate the following communication from His Excellency, the Honorable Philip B. Scott, Governor of the State of Vermont, relating to the appointment of a new Senator from the District of Grand Isle, which was ordered entered in the Journal, and is as follows:

“May 21, 2024

The Honorable David E. Zuckerman  
President  
Vermont State Senate  
State House  
Montpelier, VT 05633-5501

Dear Mr. President:

I have the honor to inform you that I have appointed

**ANDREW JULOW, of North Hero**

to serve in the General Assembly representing the Grand Isle Senate District. The appointment is effective May 21, 2024.

Sincerely,

/s/ Philip B. Scott

Philip B. Scott

Governor”

### **Oath Administered; New Senator Seated**

Thereupon, the Senate-appointee, Andrew Julow, was escorted to the bar of the Senate by Senator Baruth of Chittenden-Central District, Senator Kitchel of Caledonia District and Senator Champion of Bennington District, and took and subscribed the oath of office required by the Constitution from the President of the Senate, David E. Zuckerman.

The new Senator then took his seat and assumed his legislative duties.

### **Joint Senate Resolution Adopted on the Part of the Senate**

#### **J.R.S. 57.**

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. 57.** Joint resolution relating to compensation of Members of the General Assembly during the remainder of the 2024 Adjourned Session.

#### ***Resolved by the Senate and House of Representatives:***

That notwithstanding the provisions of 32 V.S.A. §§ 1051(a)(1) and 1052(a)(1) providing for a weekly rate of compensation, commencing June 17, 2024, Members of the General Assembly shall be entitled to compensation for services equal to a daily rate of one-fourth of the annually adjusted weekly compensation set forth in sections 1051(a)(1) and 1052(a)(1) and reimbursement for expenses at the daily rate established in sections 1051(a)(3) and 1052(b) of Title 32 for each day on which their respective houses shall sit and the member attends for the remainder of the 2024 Adjourned Session, except that no member shall receive compensation for more than four days in any week.

### **Senate Resolution Adopted**

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

By Senators Baruth, Bray, Brock, Champion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Julow, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams and Wrenner,



**S.R. 19.** Senate resolution relating to honoring the distinguished Executive Branch and legislative public service of Senator Martha Jane Kitchel.

*Whereas*, prior to entering State government as a social worker in the former Department of Social Welfare, Jane Kitchel graduated from Danville High School and Wilson College in Chambersburg, Pennsylvania, and

*Whereas*, Jane Kitchel's supervisors quickly recognized her personal compassion and dedication, which were tempered with strong doses of professionalism and common sense; and these qualities established a path leading to the positions of Deputy Commissioner and then, Commissioner of the Department of Social Welfare; and, ultimately, Governor Howard Dean appointed her Secretary of the Agency of Human Services, and

*Whereas*, in 2004, having completed her stellar career in the Executive Branch and desiring to continue in public service, Jane Kitchel, who had long been a community leader in the Northeast Kingdom, ran successfully for a Caledonia District Senate seat, and

*Whereas*, in 2005, in an unusual appointment for a new senator, the Senate Committee on Committees named Senator Martha Jane Kitchel as the Vice Chair of the Senate Committee on Appropriations; and, having proven highly effective in this post from 2005 to 2010, in 2011, the Senate Committee on Committees elevated her to the position of Senate Committee on Appropriations Chair, and she has exercised her pivotal State budgetary leadership based on detailed fiscal analysis and thoughtful judgment, and

*Whereas*, as a member of the Senate Committee on Transportation, Senator Martha Jane Kitchel's keen eye has also reviewed the development of all forms of motorized travel in Vermont, and, as Chair of the Senate Committee on Appropriations, she has been a strong supporter of financing the construction of the Lamoille Valley Rail Trail, and

*Whereas*, after two decades of legislatively serving her constituents, and all Vermonters, with distinction and grace, including in her newest assignment as a member of the Senate Committee on Committees, Senator Martha Jane Kitchel has announced that she will not seek reelection in 2024, *now therefore be it*

***Resolved by the Senate:***

That the Senate of the State of Vermont honors the distinguished Executive Branch and legislative public service of Senator Martha Jane Kitchel, *and be it further*

***Resolved:*** That the Secretary of the Senate be directed to send a copy of this resolution to Senator Martha Jane Kitchel.

Thereupon, the pending question, Shall the resolution be adopted on the part of the Senate?, was agreed to on a roll call, Yeas 29, Nays 0.

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, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Julow, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

**Those Senators who voted in the negative were:** None.

### **Senate Resolution Adopted**

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

By Senators Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Julow, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams and Wrenner,

**S.R. 20.** Senate resolution in memory of Senator and former Bennington Selectboard Chair Richard Sears.

*Whereas*, the extraordinary life of Dick Sears coalesced in a manner more akin to fiction than reality, and

*Whereas*, Dick Sears was born Stephen Story in 1943 at the Framingham, Massachusetts, state penal facility, to an imprisoned mother whom he never knew, and

*Whereas*, at nine months of age, the Sears family of Ashland, Massachusetts, adopted him out of foster care, providing a loving home and a new name, and

*Whereas*, after Dick Sears graduated from the University of Vermont, the Department of Corrections hired him to counsel young offenders, initiating his lifelong focus on troubled youth, and

*Whereas*, in 1971, Dick Sears established 204 Depot Street in Bennington, an organization dedicated to mentoring boys entangled in the justice system, and he directed the program for 35 years, and

*Whereas*, in this role, Dick Sears developed important political skills that led to his chairing the Bennington Selectboard and, ultimately, to his election in 1992 to the State Senate, representing the Bennington Senate District, and

*Whereas*, not surprisingly, Senator Richard Sears was appointed to the Senate Committee on Judiciary; became its vice chair in 1995; and, in 1997, was elevated to committee chair, serving in this role until 2024, and

*Whereas*, Senator Richard Sears guided the enactment of legislation providing for civil unions and, later, marriage equality; the easing of cannabis restrictions; the unification of the State trial court system; the enabling of adoptees to learn of their biological parentage; and the improvement of juvenile justice; and he served in leadership roles on other panels related to the justice system, as well as on the Senate Committee on Appropriations, and

*Whereas*, his Senate colleagues would chuckle at his seemingly humorous Friday “No” votes on motions to adjourn at the week’s end, and

*Whereas*, on the first weekend of June 2024, Senator Richard Sears, whose wife, Beverly, died in 2023, died at 81 years of age, and during his life, he was thrilled to have established family relationships with his special son, John Murphy, and his previously unknown sister, Irene Macheimer, *now therefore be it*

***Resolved by the Senate:***

That the Senate of the State of Vermont expresses its profound sadness at the passing of its cherished colleague, Senator Richard Sears, *and be it further*

***Resolved:*** That the Secretary of the Senate be directed to send a copy of this resolution to the family of Senator Richard Sears.

Thereupon, the pending question, Shall the resolution be adopted on the part of the Senate?, was agreed to on a roll call, Yeas 29, Nays 0.

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, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Julow, Kitchel, Lyons, MacDonald, McCormack, Norris, Perchlik, Ram Hinsdale, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

**Those Senators who voted in the negative were:** None.

**Recess**

On motion of Senator Baruth the Senate recessed until 11:00 A.M.

**Called to Order**

The Senate was called to order by the President.

**Rules Suspended; Immediate Consideration; House Proposal of  
Amendment to Senate Proposal of Amendment Concurred In; Rules  
Suspended; Bill Messaged**

**H. 55.**

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

An act relating to miscellaneous unemployment insurance amendments.

Was taken up for immediate consideration.

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

\* \* \* Unemployment Insurance \* \* \*

Sec. 1. 21 V.S.A. § 1325 is amended to read:

§ 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;  
DISCLOSURE TO SUCCESSOR ENTITY

(a)(1) The Commissioner shall maintain an experience-rating record for each employer. Benefits paid shall be charged against the experience-rating record of each subject employer who provided base-period wages to the eligible individual. Each subject employer's experience-rating charge shall bear the same ratio to total benefits paid as the total base-period wages paid by that employer bear to the total base-period wages paid to the individual by all base-period employers. The experience-rating record of an individual subject base-period employer shall not be charged for benefits paid to an individual under any of the following conditions:

\* \* \*

(2) If an individual's unemployment is directly caused by a major disaster declared by the President of the United States pursuant to 42 U.S.C. § 5122 and the individual would have been eligible for federal disaster unemployment assistance benefits but for the receipt of regular benefits, an employer shall be relieved of charges for benefits paid to the individual with respect to any week of unemployment occurring due to the natural disaster up to a maximum amount of ~~four~~ 10 weeks.

\* \* \*

Sec. 2. 21 V.S.A. § 1347 is amended to read:

§ 1347. NONDISCLOSURE OR MISREPRESENTATION;  
OVERPAYMENTS; WAIVER

---

\* \* \*

(f)(1) Notwithstanding any provision of subsection (a), (b), or (d) of this section to the contrary, the Commissioner may waive up to the full amount of any overpayment that is not a result of the person's intentional misrepresentation of or failure to disclose a material fact if:

(A) the overpayment occurs through no fault of the person; and

(B) recovery of the overpayment would be against equity and good conscience.

(2) A person may request a waiver of an overpayment at any time after receiving notice of a determination pursuant to subsection (a) or (b) of this section.

(3) Upon making a determination that an overpayment occurred pursuant to subsection (a) or (b) of this section, the Commissioner shall, to the extent possible and in consideration of the information available to the Department, determine whether waiver of the amount of overpaid benefits is appropriate.

(4) The Commissioner shall provide notice of the right to request a waiver of an overpayment with each determination that an overpayment has occurred. The notice shall include clear instructions regarding the circumstances under which a waiver may be granted and how a person may apply for a waiver.

(5) If the Commissioner denies an application for a waiver, the Commissioner shall provide written notice of:

(A) the denial with enough information to ensure that the person can understand the reason for the denial; and

(B) the person's right to appeal the determination pursuant to subsection (h) of this section.

(6)(A) A person whose request to waive an overpayment pursuant to this subsection has been denied pursuant to subdivision (5) of this subsection (f) and whose rights to appeal the denial pursuant to subsection (h) have been exhausted shall be permitted to submit an additional request to waive the overpayment if the person can demonstrate a material change in the person's circumstances such that recovery of the overpayment would be against equity and good conscience.

(B) The Commissioner may dismiss a request to waive an overpayment that is submitted pursuant to this subdivision (6) if the Commissioner finds that there is no material change in the person's

circumstances such that recovery of the overpayment would be against equity and good conscience. The Commissioner's determination pursuant to this subdivision (6) shall be final and shall not be subject to appeal.

(7) In the event that an overpayment is waived on appeal, the Commissioner shall, as soon as practicable, refund any amounts collected or withheld in relation to the overpayment pursuant to the provisions of this section.

(g) The provisions of subsection (f) of this section shall, to the extent permitted by federal law, apply to overpayments made in relation to any federal unemployment insurance benefits or similar federal benefits.

(h) Interested parties shall have the right to appeal from any determination under this section and the same procedure shall be followed as provided for in subsection 1348(a) and section 1349 of this title.

(i) The Commissioner shall not attempt to recover an overpayment or withhold any amounts of unemployment insurance benefits from a person:

(1) until after the Commissioner has made a final determination regarding whether an overpayment of benefits to the person occurred and the person's right to appeal the determination has been exhausted; or

(2) if the person filed an application for a waiver, until after the Commissioner has made an initial determination regarding the application.

(j)(1) The Commissioner shall provide any person who received an overpayment of benefits and is not currently receiving benefits pursuant to this chapter with the option of entering into a plan to repay the amount of the overpayment. The plan shall provide for reasonable weekly, biweekly, or monthly payments in an amount that permits the person to continue to afford the person's ordinary living expenses.

(2) The Commissioner shall permit a person to request a modification to a repayment plan created pursuant to this subsection if the person's ability to afford ordinary living expenses changes.

Sec. 3. 21 V.S.A. § 1347 is amended to read:

§ 1347. NONDISCLOSURE OR MISREPRESENTATION;  
OVERPAYMENTS; WAIVER

\* \* \*

(d) In any case in which under this section a person is liable to repay any amount to the Commissioner for the Fund, the Commissioner may withhold, in whole or in part, any future benefits payable to such the person, in amounts equal to not more than 50 percent of the person's weekly benefit amount, and

credit ~~sueh~~ the withheld benefits against the amount due from ~~sueh~~ the person until it is repaid in full, less any penalties assessed under subsection (c) of this section.

\* \* \*

#### Sec. 4. WAIVER OF UI OVERPAYMENT; RULEMAKING

On or before November 1, 2024, the Employment Security Board shall commence rulemaking and file proposed rule amendments pursuant to 3 V.S.A. § 838 as necessary to implement the provisions of Sec. 2 of this act, amending 21 V.S.A. § 1347.

\* \* \* Unemployment Insurance Technical Corrections \* \* \*

Sec. 5. 21 V.S.A. § 1301 is amended to read:

#### § 1301. DEFINITIONS

As used in this chapter:

\* \* \*

(3) “Contributions” means the money payments to the State Unemployment Compensation Trust Fund required by this chapter.

\* \* \*

(25) ~~“Son,” “daughter,” and “child” include~~ “Child” includes an individual’s biological child, foster child, adoptive child, stepchild, a child for whom the individual is listed as a parent on the child’s birth certificate, a legal ward of the individual, a child of the individual’s spouse, or a child that the individual has day-to-day responsibilities to care for and financially support.

\* \* \*

Sec. 6. 21 V.S.A. § 1321(d) is amended to read:

(d) Financing benefits paid to employees of State. In lieu of contributions required of employers subject to this chapter, the State of Vermont, including State hospitals but excluding any State institution of higher education, shall pay to the Commissioner, for the Unemployment Compensation Trust Fund, an amount equal to the amount of benefits paid, including the full amount of extended benefits paid, attributable to service by individuals in the employ of the State. At the end of each calendar quarter, or at the end of any other period as determined by the Commissioner, the Commissioner shall bill the State for the amount of benefits paid during ~~sueh~~ the quarter or other prescribed period that is attributable to service in the employ of the State. Subdivisions (c)(3)(C) through (3)(F), inclusive, and subdivisions (c)(5) and (6) of this section as they apply to nonprofit organizations shall also apply to the State of

Vermont, except that the State shall be liable for all benefits paid, including the full amount of extended benefits paid, attributable to service in the employ of the State.

Sec. 7. 21 V.S.A. § 1361 is amended to read:

§ 1361. MANAGEMENT OF FUNDS UPON DISCONTINUANCE OF  
UNEMPLOYMENT TRUST FUND

The provisions of sections 1358–1360 of this ~~title~~ subchapter to the extent that they relate to the federal Unemployment Trust Fund, shall be operative only ~~so long as such~~ if the federal Unemployment Trust Fund continues to exist and ~~so long as~~ the U.S. Secretary of the Treasury continues to maintain for this State a separate book account of all Funds deposited ~~therein~~ in the federal Unemployment Trust Fund by this State for benefit purposes, together with this State's proportionate share of the earnings of ~~such~~ the Unemployment Trust Fund, from which only the Commissioner of Labor is permitted to make withdrawals. If and when ~~such Unemployment Trust Fund~~ shall federal law no longer be required by the laws of the United States requires the federal Unemployment Trust Fund to be maintained as aforesaid as a condition of approval of this chapter as provided in Title III of the Social Security Act, then all monies, properties, or securities ~~therein~~ in the federal Unemployment Trust Fund, belonging to the Unemployment Compensation Trust Fund of this State, shall be transferred to the treasurer of the Unemployment Compensation Trust Fund, who shall hold, invest, transfer, sell, deposit, and release ~~such~~ the monies, properties, or securities in a manner approved by the Commissioner and appropriate for trust funds, subject to all claims for benefits under this chapter.

Sec. 8. 21 V.S.A. § 1362 is amended to read:

§ 1362. UNEMPLOYMENT COMPENSATION ADMINISTRATION  
FUND

~~There is hereby created the~~ The Unemployment Compensation Administration Fund is created to consist of all monies received by the State or by the Commissioner for the administration of this chapter. ~~This special fund~~ The Unemployment Compensation Administration Fund shall be a special fund managed pursuant to 32 V.S.A. chapter 7, subchapter 5. The Unemployment Compensation Administration Fund shall be handled through the State Treasurer as other State monies are handled, but it shall be expended solely for the purposes and in the amounts found necessary by the Secretary of Labor for the proper and efficient administration of ~~such~~ this chapter and its balance shall not lapse at any time but shall remain continuously available to the Commissioner for expenditures consistent ~~herewith~~ with the provisions of



~~this section.~~ All federal monies allotted or apportioned to the State by the Secretary of Labor, or other agency, for the administration of this chapter shall be paid into the Unemployment Compensation Administration Fund and are hereby appropriated to ~~such~~ the Unemployment Compensation Administration Fund.

Sec. 9. 21 V.S.A. § 1365 is amended to read:

§ 1365. CONTINGENT FUND

(a) There is ~~hereby~~ created a special fund to be known as the Contingent Fund. All interest, fines, and penalties collected under the provisions of ~~the unemployment compensation law after April 1, 1947~~ this chapter, together with any voluntary contributions tendered as a contribution to ~~this~~ the Contingent Fund, shall be paid into ~~this~~ the Contingent Fund. ~~Such~~ The monies shall not be expended or available for expenditures in any manner ~~which that~~ would permit their substitution for, or a corresponding reduction in, federal funds ~~which that~~ would in the absence of ~~such~~ the monies be available to finance expenditures for the administration of the unemployment compensation law.

(b) ~~But nothing~~ Nothing in this chapter shall prevent ~~such~~ the monies from being used as a revolving fund to cover expenditures, necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to the charging of ~~such~~ the expenditures against ~~such~~ the funds when received.

(c) The monies in ~~this~~ the Contingent Fund shall be used by the Commissioner for the payment of costs of administration ~~which that~~ are found not to have been properly and validly chargeable against federal grants, or other funds, received for or in the Unemployment Compensation Administration Fund ~~on or after January 1, 1947~~. No expenditure of the Contingent Fund shall be made unless and until the Commissioner finds that no other funds are available or can properly be used to finance ~~such~~ the expenditures.

(d) The State Treasurer shall co-sign all expenditures from ~~this~~ the Contingent Fund authorized by the Commissioner.

(e) The monies in ~~this~~ the Contingent Fund are ~~hereby specifically made~~ available to replace, within a reasonable time, any monies received by this State pursuant to ~~section 302 of the federal Social Security Act, as amended,~~ which 42 U.S.C. § 502 that because of any action or contingency, have been lost or have been expended for purposes other than, or in amounts in excess of, those necessary for the proper administration of the unemployment compensation law.

(f) The monies in ~~this~~ the Contingent Fund shall be continuously available to the Commissioner for expenditure in accordance with the provisions of this section and shall not lapse at any time or be transferred to any other fund except as ~~herein~~ provided pursuant to this section.

(g) ~~Provided, however, that on~~ On December 31 of each year, all monies in excess of \$10,000.00 in ~~this~~ the Contingent Fund shall be transferred to the Unemployment Compensation Trust Fund. On or before March 31 of each year, an audit of ~~this~~ the Contingent Fund ~~will~~ shall be completed and a report of that audit ~~will~~ shall be made public.

(h) In the event that a refund of interest, a fine, or a penalty is found necessary, and ~~such~~ the interest, fine, or penalty has been deposited in the Contingent Fund, ~~such~~ the refund shall be made from the Contingent Fund.

\* \* \* Workers' Compensation \* \* \*

Sec. 10. 2023 Acts and Resolves No. 76, Sec. 38 is amended to read:

Sec. 38. ADOPTION OF RULES

The Commissioner of Labor shall, on or before July 1, 2024, adopt rules as necessary to implement the provisions of Secs. 29, 30, 31, 32, 33, 34, ~~35~~, 36, and ~~37~~, and 38 of this act.

Sec. 11. 21 V.S.A. § 601 is amended to read:

§ 601. DEFINITIONS

As used in this chapter:

\* \* \*

(11) "Personal injury by accident arising out of and in the course of employment" includes an injury caused by the willful act of a third person directed against an employee because of that employment.

\* \* \*

(I)(i) In the case of police officers, rescue or ambulance workers, ~~or~~ firefighters, or State employees, as that term is defined pursuant to subdivision (iii)(VI) of this subdivision (11)(I), post-traumatic stress disorder that is diagnosed by a mental health professional shall be presumed to have been incurred during service in the line of duty and shall be compensable, unless it is shown by a preponderance of the evidence that the post-traumatic stress disorder was caused by nonservice-connected risk factors or nonservice-connected exposure.

(ii) A police officer, rescue or ambulance worker, ~~or~~ firefighter, or State employee who is diagnosed with post-traumatic stress disorder within

three years ~~of~~ following the last active date of employment as a police officer, rescue or ambulance worker, ~~or~~ firefighter, or State employee shall be eligible for benefits under this subdivision (11).

(iii) As used in this subdivision (11)(I):

(I) “Classified employee” means an employee in the classified service, as defined pursuant to 3 V.S.A. § 311.

(II) “Firefighter” means a firefighter as defined in 20 V.S.A. § 3151(3) and (4).

~~(H)~~(III) “Mental health professional” means a person with professional training, experience, and demonstrated competence in the treatment and diagnosis of mental conditions, who is certified or licensed to provide mental health care services and for whom diagnoses of mental conditions are within his ~~or her~~ the person’s scope of practice, including a physician, nurse with recognized psychiatric specialties, psychologist, clinical social worker, mental health counselor, or alcohol or drug abuse counselor.

~~(H)~~(IV) “Police officer” means a law enforcement officer who has been certified by the Vermont Criminal Justice Council pursuant to 20 V.S.A. chapter 151.

~~(IV)~~(V) “Rescue or ambulance worker” means ambulance service, emergency medical personnel, first responder service, and volunteer personnel as defined in 24 V.S.A. § 2651.

(VI) “State employees” means:

(aa) facility employees of the Department of Corrections;

(bb) employees of the Department of Corrections who provide direct security or treatment services to offenders under supervision in the community;

(cc) classified employees of State-operated therapeutic community residences or inpatient psychiatric hospital units;

(dd) classified employees of public safety answering points;

(ee) classified employees of the Family Services Division of the Department for Children and Families;

(ff) classified employees of the Vermont Veterans’ Home;

(gg) classified employees of the Department of State’s Attorneys and Sheriffs, State’s Attorneys, and employees of the Department of State’s Attorneys and Sheriffs who are assigned to a State’s Attorney’s field office; and

(hh) classified employees in the Criminal Division of the Attorney General's Office.

\* \* \*

Sec. 12. SURVEY OF FIRE DEPARTMENTS; REPORT

(a) The Executive Director of the Division of Fire Safety shall conduct an annual survey of Vermont municipal fire departments and private volunteer fire departments during calendar years 2025, 2027, and 2029 regarding the following information, to the extent such information is available to the departments:

(1) the number of firefighters in the department;

(2) the number of firefighters in the department who use tobacco products; and

(3) for each firefighter in the department, the firefighter's:

(A) age;

(B) gender;

(C) position or rank in the department;

(D) if a professional firefighter, the date of hire, and if a volunteer firefighter, the date on which service in the department began;

(E) the period of employment or service with the department;

(F) if the firefighter's employment or service with the department terminated during the previous 24 months, the date on which the employment or service terminated;

(G) if a professional firefighter, the annual salary or hourly wage paid by the department;

(H) if a volunteer firefighter, the annual salary or hourly wage paid by the volunteer firefighter's regular employment; and

(I) the number of fires responded to during the previous 24 months.

(b)(1) Except as provided pursuant to subsection (c) of this section, all information obtained as part of the surveys conducted pursuant to subsection (a) of this section shall be kept confidential and shall be exempt from public inspection and copying under the Public Records Act.

(2) The reports prepared pursuant to subsection (c) of this section shall present the results of the surveys conducted pursuant to subsection (a) of this section in an aggregated and anonymized manner and shall not include personally identifying information for any firefighter.

(c) On or before December 15 of 2025, 2027, and 2029, the Executive Director shall report to the Commissioner of Financial Regulation, the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development regarding the results of the survey.

Sec. 13. FIREFIGHTERS' WORKERS' COMPENSATION CLAIMS FOR CANCER; ANNUAL REPORT

(a) The Commissioner of Financial Regulation shall, on or before February 1 of 2026, 2028, and 2030, report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development regarding:

(1) the number of workers' compensation claims for cancer that were submitted by Vermont firefighters in the previous 24 months;

(2) the number and percentage of those claims that were approved;

(3) the types of cancer for which the claims were submitted; and

(4) national trends with respect to workers' compensation claims for cancer submitted by firefighters during the previous 24 months, including, to the extent that information is available, the number of claims filed, the rate of claim approval, and, to the extent information is available, the types of cancer for which claims were submitted.

(b) All workers' compensation insurers doing business in Vermont shall report to the Commissioner of Financial Regulation, in a time and manner specified by the Commissioner:

(1) the number of workers' compensation claims for cancer that were received by the insurer from Vermont firefighters;

(2) the number of those claims that were approved; and

(3) the types of cancer for which the claims were submitted.

(c) The February 1, 2030 report required pursuant to subsection (a) of this section shall, in addition to setting forth the information required pursuant to subsection (a):

(1) aggregate and summarize the data required pursuant to subsection (a) for the preceding six years;

(2) compare the incidence of cancer among firefighters in Vermont to the incidence of cancer among firefighters nationally; and

(3) include a recommendation regarding any legislative action needed to better address the occurrence of cancer among firefighters in Vermont.

Sec. 14. DIVISION OF FIRE SAFETY; FIRE DEPARTMENTS;  
SUBSIDY FOR ANNUAL CANCER SCREENING

(a) The Division of Fire Safety shall subsidize the cost of providing cancer screening to Vermont professional and volunteer firefighters, as well as all enrollees in the Vermont Fire Academy Firefighter I program, during fiscal year 2025 to the extent that funds are appropriated for that purpose.

(b)(1) Cancer screening subsidized pursuant to this section shall consist of:

(A) a multi-cancer early detection blood test;

(B) an ultrasound of vital organs, including abdominal aorta, thyroid, liver, gallbladder, spleen, bladder, kidney, testicles for males, and exterior pelvis for females; and

(C) any additional screening that the Executive Director determines to be appropriate.

(2) The Executive Director shall determine the specific types of screening tests to subsidize pursuant to the provision of this section in consultation with appropriate licensed medical professionals.

(c) The Executive Director may utilize the funds appropriated pursuant to subsection (a) of this section to:

(1) provide grants to fire departments to subsidize the cost of cancer screening; or

(2) contract directly with one or more entities to provide cancer screening to fire departments at a discounted rate; or

(3) both.

\* \* \* Unpaid Medical Leave \* \* \*

Sec. 15. 21 V.S.A. § 471 is amended to read:

§ 471. DEFINITIONS

As used in this subchapter:

\* \* \*

(3) “Family leave” means a leave of absence from employment by an employee who works for an employer ~~which~~ that employs 15 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:

(A) the serious ~~illness~~ health condition of the employee; or

(B) the serious ~~illness~~ health condition of the employee's child, stepchild or ward who lives with the employee, foster child, parent, spouse, or parent of the employee's spouse.

(4) "Health care provider" means a licensed health care provider or a health care provider as defined pursuant to 29 C.F.R. § 825.125.

(5) "Parental leave" means a leave of absence from employment by an employee who works for an employer ~~which~~ that employs 10 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:

\* \* \*

~~(5)~~(6) "Serious ~~illness~~ health condition" means:

(A) an accident, illness, injury, disease, or physical or mental condition that:

~~(A)~~(i) poses imminent danger of death;

~~(B)~~(ii) requires inpatient care in a hospital, hospice, or residential medical care facility; or

~~(C)~~(iii) requires continuing in-home care under the direction of treatment by a physician health care provider; or

(B) rehabilitation from an accident, illness, injury, disease, or physical or mental condition described in subdivision (A) of this subdivision (6), including treatment for substance use disorder.

Sec. 16. 21 V.S.A. § 472 is amended to read:

§ 472. LEAVE

(a) During any 12-month period, an employee shall be entitled to take unpaid leave for a period not to exceed 12 weeks:

\* \* \*

(2) for family leave, for the serious ~~illness~~ health condition of the employee or the employee's child, stepchild or ward of the employee who lives with the employee, foster child, parent, spouse, or parent of the employee's spouse.

\* \* \*

(e)(1) An employee shall give reasonable written notice of intent to take leave under this subchapter. Notice shall include the date the leave is expected to commence and the estimated duration of the leave.

(2) In the case of the adoption or birth of a child, an employer shall not require that notice be given more than six weeks prior to the anticipated commencement of the leave.

(3) In the case of a serious ~~illness~~ health condition of the employee or a member of the employee's family, an employer may require certification from a ~~physician~~ health care provider to verify the condition and the amount and necessity for the leave requested.

(4) An employee may return from leave earlier than estimated upon approval of the employer.

(5) An employee shall provide reasonable notice to the employer of ~~his or her~~ the need to extend leave to the extent provided by this ~~chapter~~ subchapter.

\* \* \*

(h) Except for serious ~~illness~~ health condition of the employee, an employee who does not return to employment with the employer who provided the leave shall return to the employer the value of any compensation paid to or on behalf of the employee during the leave, except payments for accrued sick leave or vacation leave.

\* \* \* Baby Bonds Trust Program \* \* \*

Sec. 17. 3 V.S.A. chapter 20 is added to read:

#### CHAPTER 20. VERMONT BABY BOND TRUST

##### § 601. DEFINITIONS

As used in this chapter:

(1) “Designated beneficiary” means an individual born on or after July 1, 2024 who was eligible at birth for coverage in the Dr. Dynasaur program established in accordance with Title XIX (Medicaid) and Title XXI (SCHIP) of the Social Security Act or for coverage available pursuant to 33 V.S.A. chapter 19, subchapter 9.

(2) “Eligible expenditure” means an expenditure associated with any of the following, each as prescribed by the Treasurer:

(A) education of a designated beneficiary;

(B) purchase of a dwelling unit or real property in Vermont by a designated beneficiary;

(C) investment in a business in Vermont by a designated beneficiary;

or



(D) investment or rollover in a qualified retirement account, Section 529 account, or Section 529A account established for the benefit of a designated beneficiary.

(3) “Trust” means the Vermont Baby Bond Trust established by this chapter.

#### § 602. VERMONT BABY BOND TRUST; ESTABLISHMENT

(a) There is established the Vermont Baby Bond Trust, to be administered by the Office of the State Treasurer. The Trust shall constitute an instrumentality of the State and shall perform essential governmental functions as provided in this chapter. The Trust shall receive and hold until disbursed in accordance with section 607 of this title all payments, deposits, and contributions intended for the Trust; as well as gifts, bequests, and endowments; federal, State, and local grants; any other funds from any public or private source; and all earnings on these funds.

(b)(1) The amounts on deposit in the Trust shall not constitute property of the State, and the Trust shall not be construed to be a department, institution, or agency of the State. Amounts on deposit in the Trust shall not be commingled with State funds, and the State shall have no claim to or against, or interest in, the amounts on deposit in the Trust.

(2) Any contract entered into by, or any obligation of, the Trust shall not constitute a debt or obligation of the State, and the State shall have no obligation to any designated beneficiary or any other person on account of the Trust.

(3) All amounts obligated to be paid from the Trust shall be limited to the amounts available for that obligation on deposit in the Trust, and the availability of amounts for a class of designated beneficiaries does not constitute an assurance that amounts will be available to the same degree, or at all, to another class of designated beneficiaries. The amounts on deposit in the Trust shall only be disbursed in accordance with the provisions of section 607 of this title.

(4) The Trust shall continue in existence until it no longer holds any deposits or has any obligations and its existence is terminated by law. Upon termination, any unclaimed assets shall return to the State and shall be governed by the provisions of 27 V.S.A chapter 18.

(c) The Treasurer shall be responsible for receiving, maintaining, administering, investing, and disbursing amounts from the Trust. The Trust shall not receive deposits in any form other than cash.

§ 603. TREASURER'S TRUST AUTHORITY

The Treasurer, on behalf of the Trust and for purposes of the Trust, may:

(1) receive and invest monies in the Trust in any instruments, obligations, securities, or property in accordance with section 604 of this title;

(2) enter into one or more contractual agreements, including contracts for legal, actuarial, accounting, custodial, advisory, management, administrative, advertising, marketing, or consulting services, for the Trust and pay for such services from the assets of the Trust;

(3) procure insurance in connection with the Trust's property, assets, activities, or deposits and pay for such insurance from the assets of the Trust;

(4) apply for, accept, and expend gifts, grants, and donations from public or private sources to enable the Trust to carry out its objectives;

(5) adopt rules pursuant to 3 V.S.A. chapter 25;

(6) sue and be sued;

(7) establish one or more funds within the Trust and expend reasonable amounts from the funds for internal costs of administration; and

(8) take any other action necessary to carry out the purposes of this chapter.

§ 604. INVESTMENT OF FUNDS IN THE TRUST

The Treasurer shall invest the amounts on deposit in the Trust in a manner reasonable and appropriate to achieve the objectives of the Trust, exercising the discretion and care of a prudent person in similar circumstances with similar objectives. The Treasurer shall give due consideration to the rate of return, risk, term or maturity, and liquidity of any investment; diversification of the total portfolio of investments within the Trust; projected disbursements and expenditures; and the expected payments, deposits, contributions, and gifts to be received. The Treasurer shall not invest directly in obligations of the State or any political subdivision of the State or in any investment or other fund administered by the Treasurer. The assets of the Trust shall be continuously invested and reinvested in a manner consistent with the objectives of the Trust until disbursed for eligible expenditures or expended on expenses incurred by the operations of the Trust.

§ 605. EXEMPTION FROM TAXATION

The property of the Trust and the earnings on the Trust shall be exempt from all taxation by the State or any political subdivision of the State.

§ 606. MONIES INVESTED IN TRUST NOT CONSIDERED ASSETS OR INCOME

(a) Notwithstanding any provision of law to the contrary, and to the extent permitted by federal law, no sum of money invested in the Trust shall be considered to be an asset or income for purposes of determining an individual's eligibility for assistance under any program administered by the Agency of Human Services.

(b) Notwithstanding any provision of law to the contrary, no sum of money invested in the Trust shall be considered to be an asset for purposes of determining an individual's eligibility for need-based institutional aid grants offered to an individual by a public postsecondary school located in Vermont.

§ 607. ACCOUNTING FOR DESIGNATED BENEFICIARY; CLAIMS REQUIREMENTS

(a) The Treasurer shall establish in the Trust an accounting for each designated beneficiary in the amount of \$3,200.00. Each accounting shall include the initial amount of \$3,200.00, plus the designated beneficiary's pro rata share of total net earnings from investments of sums held in the Trust.

(b) A designated beneficiary shall become eligible to receive the total sum of the accounting under subsection (a) of this section upon the designated beneficiary's 18th birthday and completion of a financial coaching requirement as prescribed by the Treasurer. The sum shall only be used for eligible expenditures.

(c) The Treasurer shall create a financial coaching program and materials designed to educate designated beneficiaries and others about the permissible use of funds available under this chapter.

(d) A designated beneficiary, or the designated beneficiary's authorized representative in the case of a designated beneficiary unable to make a claim due to disability, may submit a claim for accounting until the designated beneficiary's 30th birthday, provided the designated beneficiary is a resident of the State at the time of the claim. If a designated beneficiary dies before submitting a valid claim or fails to submit a valid claim before the designated beneficiary's 30th birthday, the designated beneficiary's accounting shall be credited back to the assets of the Trust.

(e) The Treasurer shall adopt rules pursuant to 3 V.S.A. chapter 25 to carry out the purposes of this section, including prescribing the process for submitting a valid claim for accounting.

§ 608. DATA SHARING

In carrying out the purposes of this chapter, the Treasurer may enter into an intergovernmental agreement or memorandum of understanding with any agency or instrumentality of the State requiring disclosure to execute the purposes of this chapter to receive outreach, technical assistance, enforcement, and compliance services; collection or dissemination of information pertinent to the Trust, including protected health information and personal identification information, subject to such obligations of confidentiality as may be agreed to or required by law; or other services or assistance.

§ 609. IMPLEMENTATION; PILOT PROGRAM

The Treasurer's duty to implement this chapter is contingent upon publication by the Treasurer of an official statement that the Treasurer has received donations designated for purposes of implementation or administration of the Trust in an amount sufficient to operate a pilot program. Upon publication, the Treasurer shall commence a pilot program implementing the Trust pursuant to the provisions of this chapter. The pilot program shall be used to evaluate the impact, effectiveness, and operational necessities of a permanent program consistent with this chapter.

Sec. 18. VERMONT BABY BOND TRUST; HOUSING OPPORTUNITIES; REPORT

(a) The Office of the State Treasurer, in consultation with interested stakeholders, shall evaluate the following issues and options under the Vermont Baby Bond Trust program established in 3 V.S.A. chapter 20:

(1) increasing housing opportunities in Vermont through investment of Trust funds, including:

(A) how the Treasurer may, consistent with the Treasurer's fiduciary obligations and subject to the provisions of 32 V.S.A. chapter 7, subchapter 2, invest the funds to advance housing opportunities in Vermont;

(B) the amount of funds that could be invested in this manner; and

(C) the anticipated impact of these investments on housing in Vermont;

(2) potential funding sources for the program;

(3) creating eligibility conditions for, and safeguards to protect, a beneficiary's investment in a business in Vermont;

(4) additional mechanisms to encourage beneficiaries to stay in Vermont, including:

(A) incentives to encourage beneficiaries to expend funds on education at in-State institutions; and

(B) the feasibility of limiting expenditures on education to in-State institutions while permitting waivers to access out-of-State institutions based on program availability and capacity;

(5) modifications to the financial coaching element of the program, including:

(A) ensuring a parent or caretaker of a beneficiary is made aware of the program at or around the time of the beneficiary's birth and offered a financial coaching program substantially similar to that offered beneficiaries;

(B) providing additional financial coaching opportunities for beneficiaries who delay withdrawing funds after meeting eligibility conditions;

(C) utilizing an advisory board to assist in developing the financial coaching element; and

(D) measures to expand financial coaching to all children living in Vermont;

(6) measures for achieving inflationary adjustment of the statutorily mandated accounting;

(7) whether additional needs-based programs administered by the State may be impacted by a beneficiary's entitlement to funds in the Trust;

(8) the feasibility of altering the program to permit unclaimed funds to roll over into a beneficiary's retirement account, including mechanisms for creating an account on behalf of a beneficiary and ensuring funds in the account are not accessible until the beneficiary reaches retirement age; and

(9) any other issues relating to the Vermont Baby Bond Trust investments that the Treasurer identifies as warranting study.

(b) On or before January 15, 2025, the Office of the State Treasurer shall submit a written report to the General Assembly with its findings and any recommendations for legislative action.

\* \* \* Effective Dates \* \* \*

#### Sec. 19. EFFECTIVE DATES

(a) This section and Sec. 10 (workers' compensation rulemaking technical corrections) shall take effect on passage.

(b) Sec. 3 (amending 21 V.S.A. § 1347(d)) shall take effect upon the earlier of July 1, 2026 or the implementation of the Department of Labor's updated unemployment insurance information technology system.

(c) The remaining sections shall take effect on July 1, 2024.

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

“An act relating to miscellaneous unemployment insurance, workers’ compensation, and employment practices amendments; and to establishing the Vermont Baby Bond Trust.”

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

### **Recess**

On motion of Senator Baruth the Senate recessed until Noon.

### **Message from the House No. 99**

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 the Governor’s veto on House bill of the following title:

**H. 687.** An act relating to community resilience and biodiversity protection through land use.

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

The House has considered the Governor’s veto on House bill of the following title:

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

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

The House has considered the Governor’s veto on House bill of the following title:

**H. 887.** An act relating to homestead property tax yields, nonhomestead rates, and policy changes to education finance and taxation.

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

---

**Called to Order**

The Senate was called to order by the President.

**Rules Suspended; Governor's Veto Overridden**

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

**H. 887.** An act relating to homestead property tax yields, nonhomestead rates, and policy changes to education finance and taxation.

Was taken up for immediate consideration.

Thereupon, the pending question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 22, Nays 7 (the necessary *override* two-thirds vote *having* been attained).

**Roll Call**

**Those Senators who voted in the affirmative were:** Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Julow, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Starr, Vyhovsky, Watson, White, Wrenner.

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

**Rules Suspended; Governor's Veto Sustained**

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

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

Was taken up for immediate consideration.

Thereupon, the pending question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the negative on a roll call required by the Vermont Constitution, Yeas 19, Nays 10 (the necessary *override* two-thirds vote *not* having been attained).

**Roll Call**

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

**Those Senators who voted in the negative were:** Brock, Chittenden, Collamore, Ingalls, Julow, Norris, Starr, Weeks, Westman, Williams.

**Rules Suspended; Governor's Veto Overridden**

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

**H. 687.** An act relating to community resilience and biodiversity protection through land use.

Was taken up for immediate consideration.

Thereupon, the pending question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 21, Nays 8 (the necessary *override* two-thirds vote *having* been attained).

**Roll Call**

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

**Those Senators who voted in the negative were:** Brock, Collamore, Ingalls, Norris, Weeks, Westman, Williams, Wrenner.

**Recess**

On motion of Senator Baruth the Senate recessed until 1:15 P.M.

**Called to Order**

The Senate was called to order by the President.

**Message from the House No. 100**

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 the Governor's veto on House bill of the following title:

**H. 289.** An act relating to the Renewable Energy Standard.

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



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**Rules Not Suspended; Action Not Reconsidered**

Having assured the Chair that he voted on the prevailing side, whereby the Senate sustained the Governor's veto of the bill, Senator Westman moved to suspend Senate Rule 73, and that the Senate reconsider its action immediately on House bill entitled:

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

Which was disagreed to, on a roll call, Yeas 21, Nays 8 (the necessary three-quarter vote *not having* been attained).

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

**Roll Call**

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

**Those Senators who voted in the negative were:** Brock, Chittenden, Collamore, Ingalls, Norris, Starr, Weeks, Williams.

**Rules Suspended; Governor's Veto Overridden**

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

**H. 289.** An act relating to the Renewable Energy Standard.

Was taken up.

Thereupon, the pending question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 21, Nays 8 (the necessary *override* two-thirds vote *having* been attained).

**Roll Call**

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

**Those Senators who voted in the negative were:** Brock, Collamore, Ingalls, Norris, Starr, Weeks, Williams, Wrenner.

**Recess**

On motion of Senator Baruth the Senate recessed until 2:30 P.M.

**Called to Order**

The Senate was called to order by the President.

**Message from the House No. 101**

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. 890.** An act relating to delaying implementation of certain health insurance claims editing requirements.

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

**Rules Suspended; Bills Messaged**

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

**H. 289, H. 687, H. 887.**

**Read the First Time; Rules Suspended; Immediate Consideration; Rules Suspended; Third Reading Ordered; Rules Suspended; Bill Passed In Concurrence; Rules Suspended; Bill Messaged**

**H. 890.**

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

**H. 890.** An act relating to delaying implementation of certain health insurance claims editing requirements.

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was taken up for immediate consideration.

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 in concurrence.

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

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**Recess**

On motion of Senator Baruth the Senate recessed until 4:00 P.M.

**Called to Order**

The Senate was called to order by the President.

**Message from the House No. 102**

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 the Governor's veto on House bill of the following title:

**H. 645.** An act relating to the expansion of approaches to restorative justice.

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

The House has considered the Governor's veto on House bill of the following title:

**H. 706.** An act relating to banning the use of neonicotinoid pesticides.

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

The House has considered the Governor's veto on House bill of the following title:

**H. 121.** An act relating to enhancing consumer privacy and the age-appropriate design code.

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

**Message from the House No. 103**

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 of the following title:

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

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

**Message from the House No. 104**

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:

**J.R.S. 57.** Joint resolution relating to compensation of Members of the General Assembly during the remainder of the 2024 Adjourned Session.

And has adopted the same in concurrence.

**Rules Suspended; Immediate Reconsideration; Governor Veto Overridden**

Having assured the Chair that he voted on the prevailing side, whereby the Senate sustained the Governor's veto of the bill, Senator Westman moved to suspend Senate Rule 73, and that the Senate reconsider its action immediately on House bill entitled:

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

Which was agreed to.

Thereupon, the pending question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 20, Nays 9 (the necessary *override* two-thirds vote *having* been attained).

**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, Vyhovsky, Watson, Westman, White, Wrenner.

**Those Senators who voted in the negative were:** Brock, Chittenden, Collamore, Ingalls, Julow, Norris, Starr, Weeks, Williams.

**Rules Suspended; Governor's Veto Overridden**

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

**H. 706.** An act relating to banning the use of neonicotinoid pesticides.

Was taken up.

Thereupon, the pending question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 20, Nays 9 (the necessary *override* two-thirds vote *having* been attained).

#### **Roll Call**

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

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

#### **Rules Suspended; Governor's Veto Overridden**

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

**H. 645.** An act relating to the expansion of approaches to restorative justice.

Was taken up.

Thereupon, the pending question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 21, Nays 8 (the necessary *override* two-thirds vote *having* been attained).

#### **Roll Call**

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

**Those Senators who voted in the negative were:** Brock, Collamore, Ingalls, Norris, Starr, Weeks, Westman, Williams.

#### **Rules Suspended; Governor's Veto Sustained**

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

**H. 121.** An act relating to enhancing consumer privacy and the age-appropriate design code.

Was taken up.

Thereupon, the pending question, Shall the bill pass, notwithstanding the

refusal of the Governor to approve it?, was decided in the negative on a roll call required by the Vermont Constitution, Yeas 14, Nays 15 (the necessary *override* two-thirds vote *not* having been attained).

### **Roll Call**

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

**Those Senators who voted in the negative were:** Bray, Brock, Campion, Chittenden, Collamore, Cummings, Ingalls, Julow, Kitchel, MacDonald, Norris, Starr, Weeks, Westman, Williams.

### **Message from the House No. 105**

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 joint resolution of the following title:

**J.R.H. 12.** Joint resolution relating to final adjournment of the General Assembly in 2024.

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

### **Rules Suspended; Bills Messaged**

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

**H. 72, H. 645, H. 706.**

### **Joint Resolution Adopted in Concurrence**

#### **J.R.H. 12.**

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

By Representatives Long of Newfane, McCoy of Poultney, and Small of Winooski,

**J.R.H. 12.** Joint resolution relating to final adjournment of the General Assembly in 2024.

Resolved by the Senate and House of Representatives:

That when the Speaker of the House of Representatives and the President of the Senate adjourn their respective Houses on the seventeenth or eighteenth day of June 2024, they be adjourned *sine die*.

### **Message from the House No. 106**

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 on its part completed the business of the second half of the Biennial session and is ready to adjourn *sine die*, pursuant to the provisions of J.R.H. 12.

### **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:

Senator Kitchel, *ex officio*  
Senator Baruth  
Senator Cummings  
[Senator Sears]  
Senator Perchlik  
Senator Westman

### **Final Adjournment**

On motion of Senator Baruth, at five o'clock and fifty minutes in the evening (5:50 P.M.), the Senate adjourned *sine die*, pursuant to the provisions of J.R.H. 12.

### **Message from the House No. 107**

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 28, 2024, he approved and signed a bill originating in the House of the following title:

**H. 890.** An act relating to delaying implementation of certain health insurance claims editing requirements.

The Governor has informed the House that on June 28, 2024, he did not approve and allowed to become law without his signature a bill originating in the House of the following title:

**H. 55.** An act relating to miscellaneous unemployment insurance, workers' compensation, and employment practices amendments and to establishing the Vermont Baby Bond Trust.

#### **Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby **House Bill No. 55** shall become law without his signature, is as follows:

“June 28, 2024

The Honorable BetsyAnn Wrask  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Ms. Wrask:

I'm writing to express my intent for H.55, *An act relating to miscellaneous unemployment insurance, workers' compensation, and employment practices amendments and to establishing the Vermont Baby Bond Trust.*

As the title of this bill suggests, it is an expansive collection of initiatives, some of which will be beneficial to Vermonters and some of which may add to the growing and unsustainable cost burdens imposed by this Legislature.

On the one hand, the bill moves toward better early detection of cancer in firefighters, who are known to have a much higher risk of developing cancer compared to other occupations. It also expands the availability of unemployment benefits from four weeks to ten weeks during a declared state of emergency.

On the other hand, it establishes well-intentioned workers compensation presumptions for certain state employees and a so-called “Baby Bond Trust.” The Baby Bond Trust program alone has the potential to add \$6.5 million to the State budget, and likely increase annually. However, having said that, the Treasurer has made assurances that at least one public donor and private foundations will provide financial and other support, at least in the short term.

This bill fails to acknowledge the obvious questions about funding pressures in the future. But as in many other instances this legislative session, I've been put in the position of weighing the good versus the bad, which leads me to let this bill go into law without my signature.



Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp"

**CERTIFICATION**

“STATE OF VERMONT

Office of the Secretary of the Senate  
Senate Chamber  
State House  
Montpelier, Vermont 05633

I hereby certify that the foregoing Journal is a true and correct record of the proceedings of the Senate of the State of Vermont for the second year of the biennial session of 2023, often referred to as the adjourned session of 2024.

This was the second year of the seventy-seventh biennial session of the General Assembly, beginning on the third day of January, 2024, and ending on the 17th day of June, 2024.

Attest:

/s/John H. Bloomer, Jr.

JOHN H. BLOOMER, JR.  
Secretary of the Senate”