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STATE OF VERMONT

BUILDINGS AND GENERAL SERVICES, MIDDLESEX, VERMONT

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BetsyAnn Wrask, Clerk of the House and Theresa Utton-Jerman, House Journal Clerk

Friday, April 26, 2024

At nine o'clock and thirty minutes in the forenoon, **Rep. Long of Newfane** called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rev. Co'Relous C. Bryant, Senior Pastor, United Church of Lincoln.

Bill Referred to Committee on Appropriations

S. 259

Senate bill, entitled

An act relating to climate change cost recovery

Appearing on the Notice Calendar, and pursuant to House Rule 35(a), carrying an appropriation, was referred to the Committee on Appropriations.

Ceremonial Reading

H.C.R. 171

House concurrent resolution congratulating the 2023 Green Mountain Council Class of Eagle Scouts

Offered by: Representatives Morgan of Milton, Bartley of Fairfax, Beck of St. Johnsbury, Birong of Vergennes, Bongartz of Manchester, Boyden of Cambridge, Brennan of Colchester, Canfield of Fair Haven, Chesnut-Tangerman of Middletown Springs, Clifford of Rutland City, Demar of Enosburgh, Galfetti of Barre Town, Graham of Williamstown, Gregoire of Fairfield, Hango of Berkshire, Higley of Lowell, Labor of Morgan, Laroche of Franklin, Maguire of Rutland City, Mattos of Milton, McCarthy of St. Albans City, McCoy of Poultney, McFaun of Barre Town, Morrissey of Bennington, Nugent of South Burlington, Ode of Burlington, Oliver of Sheldon, Page of Newport City, Parsons of Newbury, Peterson of Clarendon, Shaw of Pittsford, Squirrell of Underhill, Taylor of Milton, Toof of St. Albans Town, Williams of Granby, and Wilson of Lyndon

Offered by: All Members of the Senate

Whereas, earning the rank of Eagle is a special honor that only a small percentage of young persons enrolled in the Boy Scouts of America achieves, and

Whereas, an Eagle Scout is an individual who exhibits a strong commitment to service and perseveres to reach this challenging goal, and

Whereas, the following Scouts proudly achieved the rank of Eagle during 2023: Morgan Ackerly, Evan Ambrose, Tristan Anderson, Orion Beardsley, Payton Bessette, Aiden Blevins, Andrew Bruneau, Noah Carmona, Kasey Clark, Icabaud Clarke, William Coates, Porter Costello, Jordan Davis, Charles Egbert, Anders Erickson, Rachael Eschelbach, Memphis Everest, Wyatt Fitz-Gerald, Brendan Hawko, Collin Heskett, Ayden Honnon, Kyle Howard, Fisher Irwin, Benjamin Johnsen, Ian Johnson, Christopher Jones, Francis Kautzman, Brandon Lewis, Evan Lynds, Austin Mallan, Brodie Massey, Thomas Mathon, Dane Maxfield, Luke Maxham, Conner Miles, Robert Nesbit, Vaughan Noble, Ryan Page, Gideon Palmer, Jack Pine, Calder Rakowski, Bruce Raymond, Carson Ring, Ian Ritter, Donald Roy Jr., Colby Schlegel-Barber, Kyle Southworth, Ronald Spivack, Jonathan Tenney, Samuel Tock, Noah Warner, Chase Whelihan, Wesley Wilson, and Camden Yandow, and

Whereas, all of these Scouts deserve commendation for their dedication and achievement, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly congratulates the 2023 Green Mountain Council Class of Eagle Scouts, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to each Eagle Scout honored in this resolution.

Having been adopted in concurrence on Friday, March 15, 2024 in accord with Joint Rule 16b, was read.

Ceremonial Reading

H.C.R. 219

House concurrent resolution recognizing May 2024 as National Foster Care Month in Vermont

Offered by: Representatives Donahue of Northfield, Goslant of Northfield, Brumsted of Shelburne, Garofano of Essex, Gregoire of Fairfield, Hyman of South Burlington, McGill of Bridport, Noyes of Wolcott, Pajala of Londonderry, Small of Winooski, Whitman of Bennington, and Wood of Waterbury

Whereas, all children deserve a safe, loving, and nurturing home, and

Whereas, families serve as the primary support structure for personal identity and community connections, and

Whereas, foster care nurtures family relationships, foster care providers help children and youth develop, and this service is of great societal importance, and

Whereas, more than 390,000 children and young people throughout the nation are living with a foster care family, and

Whereas, many foster care families create permanency for children and youth through adoption when they cannot safely return to live with their birth families, and

Whereas, foster care providers, in collaboration with public and private community partners, support the crucial and sometimes challenging transition process to independence for youth and young adults, and

Whereas, May is National Foster Care Month, and, in 2024, the celebration's theme is "Engaging Youth. Building Supports. Strengthening Opportunities," which stresses the critical need for supporting a successful transition from foster care to personal independence, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly recognizes May 2024 as National Foster Care Month in Vermont, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to Vermont Foster/Adoptive Family Alliance, Vermont Kin as Parents, the Green Mountain United Way, and the Commissioner for Children and Families.

Having been adopted in concurrence on Friday, April 19, 2024 in accord with Joint Rule 16b, was read.

Speaker presiding.

House Resolution Adopted

H.R. 20

House resolution, entitled

House resolution reaffirming the importance of the friendship and strong bilateral relations between the United States and the Republic of China (Taiwan) and between the State of Vermont and the Republic of China (Taiwan) and supporting Taiwan's greater participation in multinational organizations

Was taken up and adopted.

Action on Bill Postponed

S. 184

Senate bill, entitled

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

Was taken up and, pending second reading of the bill, on motion of **Rep. Pouech of Hinesburg**, action on the bill was postponed until April 30, 2024.

Action on Bill Postponed

H. 649

House bill, entitled

An act relating to the Vermont Truth and Reconciliation Commission

Was taken up and, pending consideration of the Senate proposal of amendment, on motion of **Rep. McCarthy of St. Albans City**, action on the bill was postponed until May 1, 2024.

Proposed Amendment to the Vermont Constitution Adopted in Concurrence

Proposal 3

Rep. LaBounty of Lyndon recommended for the Committee on General and Housing, to which had been referred Proposal 3, which is printed in full below, and reported in favor of its adoption in concurrence.

The proposal, having appeared on the Calendar for five legislative days pursuant to House Rule 51a, was taken up.

PROPOSED AMENDMENT TO THE CONSTITUTION

OF THE STATE OF VERMONT

Subject: Declaration of Rights; right to collectively bargain

PROPOSAL 3

Sec. 1. PURPOSE

This proposal would amend the Constitution of the State of Vermont to provide that the citizens of the State have a right to collectively bargain.

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

Article 23. [Right to collectively bargain]

That employees have a right to organize or join a labor organization for the purpose of collectively bargaining with their employer through an exclusive representative of their choosing for the purpose of negotiating wages, hours, and working conditions and to protect their economic welfare and safety in the workplace. Therefore, no law shall be adopted that interferes with, negates, or diminishes the right of employees to collectively bargain with respect to wages, hours, and other terms and conditions of employment and workplace safety, or that prohibits the application or execution of an agreement between an employer and a labor organization representing the employer's employees that requires membership in the labor organization as a condition of employment.

Sec. 3. EFFECTIVE DATE

The amendment set forth in this proposal shall become a part of the Constitution of the State of Vermont on the first Tuesday after the first Monday of November 2026 when ratified and adopted by the people of this State in accordance with the provisions of 17 V.S.A. chapter 32.

Pending the question, Shall the House adopt the constitutional proposal in concurrence?, **Rep. LaBounty of Lyndon** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House adopt the constitutional proposal in concurrence?, was decided in the affirmative. Yeas, 129. Nays, 8.

Those who voted in the affirmative are:

Andrews of Westford
Andriano of Orwell
Anthony of Barre City
Arrison of Weathersfield
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Bartley of Fairfax
Beck of St. Johnsbury
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Dolan of Waitsfield
Donahue of Northfield
Durfee of Shaftsbury
Elder of Starksboro
Emmons of Springfield
Farlice-Rubio of Barnet
Galfetti of Barre Town
Garofano of Essex
Goldman of Rockingham
Goslant of Northfield
Graham of Williamstown
Graning of Jericho
Gregoire of Fairfield
Harrison of Chittenden
Headrick of Burlington
Holcombe of Norwich
Hooper of Randolph
McFaun of Barre Town
McGill of Bridport *
Mihaly of Calais
Minier of South Burlington
Morgan of Milton
Morris of Springfield
Morrissey of Bennington
Mrowicki of Putney
Nicoll of Ludlow
Notte of Rutland City
Noyes of Wolcott
Nugent of South Burlington
O'Brien of Tunbridge
Page of Newport City
Pajala of Londonderry
Patt of Worcester
Pouech of Hinesburg

Brennan of Colchester
Brown of Richmond
Brownell of Pownal
Burke of Brattleboro
Burrows of West Windsor
Campbell of St. Johnsbury
Canfield of Fair Haven
Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chapin of East Montpelier
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Cina of Burlington
Clifford of Rutland City
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Cordes of Lincoln
Demar of Enosburgh
Demrow of Corinth
Dickinson of St. Albans Town
Dodge of Essex *
Hooper of Burlington
Houghton of Essex Junction
Howard of Rutland City
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington *
Labor of Morgan
LaBounty of Lyndon
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Lanpher of Vergennes
Laroche of Franklin
Leavitt of Grand Isle
Lipsky of Stowe
Logan of Burlington *
Long of Newfane *
Maguire of Rutland City
Marcotte of Coventry
Masland of Thetford
Mattos of Milton
McCann of Montpelier
McCarthy of St. Albans City
McCoy of Poultney
Priestley of Bradford
Quimby of Lyndon
Rice of Dorset
Roberts of Halifax *
Sammis of Castleton
Satcowitz of Randolph
Scheu of Middlebury
Shaw of Pittsford
Sheldon of Middlebury
Sibilia of Dover
Sims of Craftsbury
Small of Winooski
Squirrell of Underhill
Stevens of Waterbury *
Stone of Burlington
Surprenant of Barnard
Taylor of Milton
Taylor of Colchester
Templeman of Brownington
Toleno of Brattleboro
Toof of St. Albans Town
Torre of Moretown
Troiano of Stannard *
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City

Those who voted in the negative are:

Burditt of West Rutland
Hango of Berkshire *
Higley of Lowell *
Parsons of Newbury
Peterson of Clarendon
Smith of Derby
Walker of Swanton
Williams of Granby *

Those members absent with leave of the House and not voting are:

Branagan of Georgia
Brumsted of Shelburne
Buss of Woodstock
Dolan of Essex Junction
Hyman of South Burlington
Ode of Burlington
Oliver of Sheldon
Pearl of Danville
Rachelson of Burlington
Stebbins of Burlington
Wood of Waterbury

Rep. Dodge of Essex explained her vote as follow:

"Madam Speaker:

I vote yes in honor of the great Mexican American labor activists Cesar Chavez and Dolores Huerta of the United Farm Workers. Sí Se Puede."

Rep. Hango of Berkshire explained her vote as follows:

"Madam Speaker:

I believe in the power of unions, but I am not in favor of changing our precious and historic Vermont Constitution."

Rep. Higley of Lowell explained his vote as follows:

"Madam Speaker:

My vote is not in opposition to unions, but the unnecessary need to enshrine it in our Constitution. I have a concern with our numerous constitutional amendments being proposed in recent sessions."

Rep. Krasnow of South Burlington explained her vote as follows:

"Madam Speaker:

At a time of massive income and wealth inequality, when too many workers are falling further and further behind, we need to make it easier for workers to exercise their constitutional right to form a union and collectively bargain for better wages, benefits, and working conditions."

Rep. Logan of Burlington explained her vote as follows:

"Madam Speaker:

Democracy in our workplaces – where most of us spend the large share of our waking hours – is foundational to democracy in our State."

Rep. Long of Newfane explained her vote as follows:

"Madam Speaker:

I am honored to vote yes for Proposal 3, which, if ultimately ratified by all Vermonters in 2026, will give our workers the constitutional right to organize that they have earned, that they will always deserve."

Rep. McGill of Bridport explained her vote as follows:

"Madam Speaker:

Unions are essential for protecting workers' rights and ensuring fair treatment, and I commend them for their tireless fight for justice in the workplace for us all. I voted yes because I fully support the people of Vermont in their efforts to advocate for dignity, better wages, safe working conditions, and job security."

Rep. Roberts of Halifax explained his vote as follows:

"Madam Speaker:

Our Constitution is a living document – one in which we, the inhabitants of Vermont, declare certain rights to be sacred. I vote yes on Proposal 3 to protect the sacred liberty of our workers to band together."

Rep. Stevens of Waterbury explained his vote as follows:

"Madam Speaker:

It is important to remember that by creating this proposal for a new article in the Constitution, we are asking, in the end, for Vermonters to decide if the workers of Vermont should have a more permanent right to organize and join a union or not."

Rep. Troiano of Stannard explained his vote as follows:

"Madam Speaker:

I vote yes in memory of my father who was a NYC schoolteacher whose union membership in the UFT changed the economic status of my family when I was a teenager."

Rep. Williams of Granby explained her vote as follows:

"Madam Speaker:

There was a time when unions were needed. That time has passed. As a middle to lower income person who has been on the non-union side of a business as a manager, it isn't all it seems to be and unless you have walked in those shoes you will not understand. I will not try to convince you otherwise, but please remember there are two sides to every situation."

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Not Concurred in; Committee of Conference Requested and Appointed; Rules Suspended, House Actions Messaged to Senate Forthwith

H. 883

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to making appropriations for the support of government

Was taken up for immediate consideration.

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

* * * Purpose, Definitions, Legend * * *

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the "BIG BILL – Fiscal Year 2025 Appropriations Act."

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government and for capital appropriations not funded with bond proceeds during fiscal year 2025. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those that can be supported by funds appropriated in this act or other acts passed prior to June 30, 2024. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2025 so as to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for the operations of State government and for capital appropriations not funded with bond proceeds for fiscal year 2025.

(b) The sums herein stated are appropriated for the purposes specified in the following sections of this act. When no time is expressly stated during which any of the appropriations are to continue, the appropriations are single-year appropriations and only for the purpose indicated and shall be paid from funds shown as the source of funds. If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2025.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) "Capital appropriation" means an appropriation for tangible capital investments or expenses that are eligible to be funded from general obligation debt financing and are allowed under federal laws governing the use of State bond proceeds as described in 32 V.S.A. § 309.

(2) "Encumbrances" means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The

Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

(3) "Grants" means subsidies, aid, or payments to local governments, to community and quasi-public agencies for providing local services, and to persons who are not wards of the State for services or supplies and means cash or other direct assistance, including pension contributions.

(4) "Operating expenses" means property management; repair and maintenance; rental expenses; insurance; postage; travel; energy and utilities; office and other supplies; equipment, including motor vehicles, highway materials, and construction; expenditures for the purchase of land and construction of new buildings and permanent improvements; and similar items.

(5) "Personal services" means wages and salaries, fringe benefits, per diems, and contracted third-party services, and similar items.

Sec. A.104 RELATIONSHIP TO EXISTING LAWS

(a) Except as specifically provided, this act shall not be construed in any way to negate or impair the full force and effect of existing laws.

Sec. A.105 OFFSETTING APPROPRIATIONS

(a) In the absence of specific provisions to the contrary in this act, when total appropriations are offset by estimated receipts, the State appropriations shall control, notwithstanding receipts being greater or less than anticipated.

Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2025, the Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of, or in addition to, funds herein designated as federal. The Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2025, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2024 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for not more than 45 days prior to General Assembly or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if

the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(a)(11), shall not be increased during fiscal year 2025 except for new positions authorized by the 2024 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

Sec. A.108 LEGEND

(a) The bill is organized by functions of government. The sections between B.100 and B.9999 contain appropriations of funds for the upcoming budget year. The sections between E.100 and E.9999 contain language that relates to specific appropriations or government functions, or both. The function areas by section numbers are as follows:

B.100–B.199 and E.100–E.199	General Government
B.200–B.299 and E.200–E.299	Protection to Persons and Property
B.300–B.399 and E.300–E.399	Human Services
B.400–B.499 and E.400–E.499	Labor
B.500–B.599 and E.500–E.599	General Education
B.600–B.699 and E.600–E.699	Higher Education
B.700–B.799 and E.700–E.799	Natural Resources
B.800–B.899 and E.800–E.899	Commerce and Community Development
B.900–B.999 and E.900–E.999	Transportation
B.1000–B.1099 and E.1000–E.1099	Debt Service
B.1100–B.1199 and E.1100–E.1199	One-time and other appropriation actions

(b) The C sections contain any amendments to the current fiscal year, the D sections contain fund transfers and reserve allocations for the upcoming budget year, and the F sections contain adjustments to securities fees. The G section includes effective dates.

* * * Fiscal Year 2025 Base Appropriations * * *

Sec. B.100 Secretary of administration - secretary's office

Personal services	3,624,952
Operating expenses	185,657
Grants	25,000
Total	3,835,609
Source of funds	
General fund	2,449,890
Special funds	25,000
Internal service funds	437,265
Interdepartmental transfers	923,454
Total	3,835,609

Sec. B.101 Secretary of administration - finance

Personal services	1,414,180
Operating expenses	160,916
Total	1,575,096
Source of funds	
Interdepartmental transfers	1,575,096
Total	1,575,096

Sec. B.102 Secretary of administration - workers' compensation insurance

Personal services	894,261
Operating expenses	90,822
Total	985,083
Source of funds	
Internal service funds	985,083
Total	985,083

Sec. B.103 Secretary of administration - general liability insurance

Personal services	567,817
Operating expenses	59,472
Total	627,289
Source of funds	
Internal service funds	627,289
Total	627,289

Sec. B.104 Secretary of administration - all other insurance

Personal services	275,025
Operating expenses	48,667
Total	323,692

Source of funds	
Internal service funds	323,692
Total	323,692

Sec. B.104.1 Retired State Employees Pension Plus Funding

Grants	12,000,000
Total	12,000,000
Source of funds	
General fund	12,000,000
Total	12,000,000

Sec. B.105 Agency of digital services - communications and information technology

Personal services	83,082,218
Operating expenses	62,547,212
Total	145,629,430
Source of funds	
General fund	209,808
Special funds	511,723
Internal service funds	144,907,899
Total	145,629,430

Sec. B.106 Finance and management - budget and management

Personal services	1,526,943
Operating expenses	332,906
Total	1,859,849
Source of funds	
General fund	1,183,688
Internal service funds	666,328
Interdepartmental transfers	9,833
Total	1,859,849

Sec. B.107 Finance and management - financial operations

Personal services	2,753,093
Operating expenses	887,167
Total	3,640,260
Source of funds	
Internal service funds	3,499,357
Interdepartmental transfers	140,903
Total	3,640,260

Sec. B.108 Human resources - operations

Personal services	11,174,144

Operating expenses	1,533,893
Total	12,708,037
Source of funds	
General fund	1,835,968
Special funds	242,235
Internal service funds	10,105,741
Interdepartmental transfers	524,093
Total	12,708,037

Sec. B.108.1 Human resources - VTHR operations

Personal services	2,001,756
Operating expenses	897,472
Total	2,899,228
Source of funds	
Internal service funds	2,899,228
Total	2,899,228

Sec. B.109 Human resources - employee benefits & wellness

Personal services	1,219,976
Operating expenses	656,818
Total	1,876,794
Source of funds	
Internal service funds	1,876,794
Total	1,876,794

Sec. B.110 Libraries

Personal services	2,608,231
Operating expenses	987,312
Grants	272,701
Total	3,868,244
Source of funds	
General fund	2,151,812
Special funds	130,971
Federal funds	1,467,374
Interdepartmental transfers	118,087
Total	3,868,244

Sec. B.111 Tax - administration/collection

Personal services	28,305,591
Operating expenses	6,868,137
Total	35,173,728
Source of funds	
General fund	23,248,019

Special funds	11,880,709
Interdepartmental transfers	45,000
Total	35,173,728

Sec. B.112 Buildings and general services - administration

Personal services	1,070,354
Operating expenses	229,587
Total	1,299,941
Source of funds	
Interdepartmental transfers	1,299,941
Total	1,299,941

Sec. B.113 Buildings and general services - engineering

Personal services	18,881
Operating expenses	1,271,574
Total	1,290,455
Source of funds	
General fund	1,290,455
Total	1,290,455

Sec. B.113.1 Buildings and General Services Engineering - Capital Projects

Personal services	2,973,306
Operating expenses	500,000
Total	3,473,306
Source of funds	
General fund	2,973,306
Interdepartmental transfers	500,000
Total	3,473,306

Sec. B.114 Buildings and general services - information centers

Personal services	3,585,324
Operating expenses	1,919,853
Total	5,505,177
Source of funds	
General fund	688,453
Transportation fund	4,292,149
Special funds	524,575
Total	5,505,177

Sec. B.115 Buildings and general services - purchasing

Personal services	2,462,542
Operating expenses	245,613
Total	2,708,155

Source of funds	
General fund	1,568,464
Interdepartmental transfers	1,139,691
Total	2,708,155

Sec. B.116 Buildings and general services - postal services

Personal services	826,840
Operating expenses	177,446
Total	1,004,286
Source of funds	
General fund	90,941
Internal service funds	913,345
Total	1,004,286

Sec. B.117 Buildings and general services - copy center

Personal services	902,844
Operating expenses	237,416
Total	1,140,260
Source of funds	
Internal service funds	1,140,260
Total	1,140,260

Sec. B.118 Buildings and general services - fleet management services

Personal services	915,232
Operating expenses	251,755
Total	1,166,987
Source of funds	
Internal service funds	1,166,987
Total	1,166,987

Sec. B.119 Buildings and general services - federal surplus property

Operating expenses	4,298
Total	4,298
Source of funds	
Enterprise funds	4,298
Total	4,298

Sec. B.120 Buildings and general services - state surplus property

Personal services	375,218
Operating expenses	149,871
Total	525,089
Source of funds	
Internal service funds	525,089

Total	525,089

Sec. B.121 Buildings and general services - property management

Personal services	1,471,106
Operating expenses	652,847
Total	2,123,953
Source of funds	
Internal service funds	2,123,953
Total	2,123,953

Sec. B.122 Buildings and general services - fee for space

Personal services	20,361,714
Operating expenses	17,940,900
Total	38,302,614
Source of funds	
Internal service funds	38,214,088
Interdepartmental transfers	88,526
Total	38,302,614

Sec. B.124 Executive office - governor's office

Personal services	1,621,889
Operating expenses	529,815
Total	2,151,704
Source of funds	
General fund	1,896,299
Interdepartmental transfers	255,405
Total	2,151,704

Sec. B.125 Legislative counsel

Personal services	3,906,667
Operating expenses	291,399
Total	4,198,066
Source of funds	
General fund	4,198,066
Total	4,198,066

Sec. B.126 Legislature

Personal services	6,531,132
Operating expenses	4,934,310
Total	11,465,442
Source of funds	
General fund	11,465,442
Total	11,465,442

Sec. B.126.1 Legislative information technology

Personal services	1,433,677
Operating expenses	807,537
Total	2,241,214
Source of funds	
General fund	2,241,214
Total	2,241,214

Sec. B.127 Joint fiscal committee

Personal services	2,661,816
Operating expenses	197,363
Total	2,859,179
Source of funds	
General fund	2,859,179
Total	2,859,179

Sec. B.128 Sergeant at arms

Personal services	1,501,807
Operating expenses	161,697
Total	1,663,504
Source of funds	
General fund	1,663,504
Total	1,663,504

Sec. B.129 Lieutenant governor

Personal services	273,359
Operating expenses	48,050
Total	321,409
Source of funds	
General fund	321,409
Total	321,409

Sec. B.130 Auditor of accounts

Personal services	4,397,652
Operating expenses	140,540
Total	4,538,192
Source of funds	
General fund	383,992
Special funds	53,145
Internal service funds	4,101,055
Total	4,538,192

Sec. B.131 State treasurer

Personal services	6,021,504
Operating expenses	305,404
Total	6,326,908
Source of funds	
General fund	2,233,091
Special funds	3,750,239
Interdepartmental transfers	343,578
Total	6,326,908

Sec. B.132 State treasurer - unclaimed property

Personal services	814,215
Operating expenses	514,990
Total	1,329,205
Source of funds	
Private purpose trust funds	1,329,205
Total	1,329,205

Sec. B.133 Vermont state retirement system

Personal services	213,238
Operating expenses	2,849,942
Total	3,063,180
Source of funds	
Pension trust funds	3,063,180
Total	3,063,180

Sec. B.134 Municipal employees' retirement system

Personal services	237,966
Operating expenses	1,499,159
Total	1,737,125
Source of funds	
Pension trust funds	1,737,125
Total	1,737,125

Sec. B.134.1 Vermont Pension Investment Commission

Personal services	2,154,707
Operating expenses	294,507
Total	2,449,214
Source of funds	
Special funds	2,449,214
Total	2,449,214

Sec. B.135 State labor relations board

Personal services	290,593
Operating expenses	48,629
Total	339,222
Source of funds	
General fund	329,646
Special funds	6,788
Interdepartmental transfers	2,788
Total	339,222

Sec. B.136 VOSHA review board

Personal services	98,853
Operating expenses	25,115
Total	123,968
Source of funds	
General fund	72,964
Interdepartmental transfers	51,004
Total	123,968

Sec. B.136.1 Ethics Commission

Personal services	171,374
Operating expenses	38,979
Total	210,353
Source of funds	
Internal service funds	210,353
Total	210,353

Sec. B.137 Homeowner rebate

Grants	19,100,000
Total	19,100,000
Source of funds	
General fund	19,100,000
Total	19,100,000

Sec. B.138 Renter rebate

Grants	9,500,000
Total	9,500,000
Source of funds	
General fund	9,500,000
Total	9,500,000

Sec. B.139 Tax department - reappraisal and listing payments

Grants	3,400,000
Total	3,400,000
Source of funds	
General fund	3,400,000
Total	3,400,000

Sec. B.140 Municipal current use

Grants	20,050,000
Total	20,050,000
Source of funds	
General fund	20,050,000
Total	20,050,000

Sec. B.142 Payments in lieu of taxes

Grants	12,050,000
Total	12,050,000
Source of funds	
Special funds	12,050,000
Total	12,050,000

Sec. B.143 Payments in lieu of taxes - Montpelier

Grants	184,000
Total	184,000
Source of funds	
Special funds	184,000
Total	184,000

Sec. B.144 Payments in lieu of taxes - correctional facilities

Grants	40,000
Total	40,000
Source of funds	
Special funds	40,000
Total	40,000

Sec. B.145 Total general government

Source of funds	
General fund	129,405,610
Transportation fund	4,292,149
Special funds	31,848,599
Federal funds	1,467,374
Internal service funds	214,723,806

Interdepartmental transfers	7,017,399
Enterprise funds	4,298
Pension trust funds	4,800,305
Private purpose trust funds	1,329,205
Total	394,888,745

Sec. B.200 Attorney general

Personal services	14,511,661
Operating expenses	2,015,028
Grants	20,000
Total	16,546,689
Source of funds	
General fund	7,476,805
Special funds	2,355,424
Tobacco fund	422,000
Federal funds	1,743,215
Interdepartmental transfers	4,549,245
Total	16,546,689

Sec. B.201 Vermont court diversion

Personal services	297,950
Grants	3,229,558
Total	3,527,508
Source of funds	
General fund	3,269,511
Special funds	257,997
Total	3,527,508

Sec. B.202 Defender general - public defense

Personal services	17,745,612
Operating expenses	1,393,866
Total	19,139,478
Source of funds	
General fund	18,399,825
Special funds	589,653
Interdepartmental transfers	150,000
Total	19,139,478

Sec. B.203 Defender general - assigned counsel

Personal services	7,654,274
Operating expenses	49,500
Total	7,703,774

Source of funds	
General fund	7,703,774
Total	7,703,774
Sec. B.204 Judiciary	
Personal services	58,439,095
Operating expenses	12,479,384
Grants	121,030
Total	71,039,509
Source of funds	
General fund	63,414,698
Special funds	4,503,401
Federal funds	953,928
Interdepartmental transfers	2,167,482
Total	71,039,509
Sec. B.205 State's attorneys	
Personal services	17,431,679
Operating expenses	2,034,016
Total	19,465,695
Source of funds	
General fund	18,856,634
Federal funds	31,000
Interdepartmental transfers	578,061
Total	19,465,695
Sec. B.206 Special investigative unit	
Personal services	66,237
Operating expenses	24,295
Grants	2,140,047
Total	2,230,579
Source of funds	
General fund	2,230,579
Total	2,230,579
Sec. B.206.1 Crime Victims Advocates	
Personal services	2,894,156
Operating expenses	104,396
Total	2,998,552
Source of funds	
General fund	2,998,552
Total	2,998,552

Sec. B.207 Sheriffs

Personal services	5,067,726
Operating expenses	405,868
Total	5,473,594
Source of funds	
General fund	5,473,594
Total	5,473,594

Sec. B.208 Public safety - administration

Personal services	4,620,756
Operating expenses	6,022,923
Total	10,643,679
Source of funds	
General fund	6,179,193
Special funds	4,105
Federal funds	396,362
Interdepartmental transfers	4,064,019
Total	10,643,679

Sec. B.209 Public safety - state police

Personal services	74,755,468
Operating expenses	15,992,094
Grants	1,137,841
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	1,606,414
Total	91,885,403

Sec. B.210 Public safety - criminal justice services

Personal services	5,387,100
Operating expenses	2,152,467
Total	7,539,567
Source of funds	
General fund	1,829,099
Special funds	4,975,847
Federal funds	734,621
Total	7,539,567

Sec. B.211 Public safety - emergency management	
Personal services	5,420,245
Operating expenses	1,326,624
Grants	41,392,759
Total	48,139,628
Source of funds	
General fund	940,339
Special funds	710,000
Federal funds	46,427,309
Interdepartmental transfers	61,980
Total	48,139,628
Sec. B.212 Public safety - fire safety	
Personal services	9,384,147
Operating expenses	3,412,948
Grants	107,000
Total	12,904,095
Source of funds	
General fund	1,586,884
Special funds	10,093,736
Federal funds	1,178,475
Interdepartmental transfers	45,000
Total	12,904,095
Sec. B.213 Public safety - Forensic Laboratory	
Personal services	3,842,354
Operating expenses	1,095,166
Total	4,937,520
Source of funds	
General fund	3,768,566
Special funds	75,572
Federal funds	557,339
Interdepartmental transfers	536,043
Total	4,937,520
Sec. B.215 Military - administration	
Personal services	1,056,147
Operating expenses	776,352
Grants	1,319,834
Total	3,152,333
Source of funds	
General fund	3,152,333

Total	3,152,333
Sec. B.216 Military - air service contract	
Personal services	10,499,846
Operating expenses	1,504,451
Total	12,004,297
Source of funds	
General fund	775,259
Federal funds	11,229,038
Total	12,004,297
Sec. B.217 Military - army service contract	
Personal services	45,473,792
Operating expenses	8,181,836
Total	53,655,628
Source of funds	
Federal funds	53,655,628
Total	53,655,628
Sec. B.218 Military - building maintenance	
Personal services	827,320
Operating expenses	1,008,123
Total	1,835,443
Source of funds	
General fund	1,772,943
Special funds	62,500
Total	1,835,443
Sec. B.219 Military - veterans' affairs	
Personal services	1,211,819
Operating expenses	176,383
Grants	28,500
Total	1,416,702
Source of funds	
General fund	1,096,505
Special funds	209,092
Federal funds	111,105
Total	1,416,702
Sec. B.220 Center for crime victim services	
Personal services	1,976,117
Operating expenses	391,491
Grants	9,908,464

Total	12,276,072
Source of funds	
General fund	1,516,854
Special funds	4,015,490
Federal funds	6,743,728
Total	12,276,072

Sec. B.221 Criminal justice council

Personal services	2,356,811
Operating expenses	1,821,496
Total	4,178,307
Source of funds	
General fund	3,835,126
Interdepartmental transfers	343,181
Total	4,178,307

Sec. B.222 Agriculture, food and markets - administration

Personal services	3,057,449
Operating expenses	346,294
Total	3,403,743
Source of funds	
General fund	1,393,366
Special funds	1,432,323
Federal funds	578,054
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	2,780,000
Total	9,129,474
Source of funds	
General fund	3,400,278
Special funds	4,020,618
Federal funds	1,696,578
Interdepartmental transfers	12,000
Total	9,129,474

Sec. B.224 Agriculture, food and markets - agricultural development

Personal services	4,265,067
Operating expenses	734,947
Grants	15,307,498

Total	20,307,512
Source of funds	
General fund	3,077,928
Special funds	644,363
Federal funds	16,585,221
Total	20,307,512

Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship

Personal services	2,824,147
Operating expenses	839,493
Grants	212,000
Total	3,875,640
Source of funds	
General fund	936,794
Special funds	2,242,158
Federal funds	343,452
Interdepartmental transfers	353,236
Total	3,875,640

Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab

Personal services	1,822,983
Operating expenses	1,438,533
Total	3,261,516
Source of funds	
General fund	1,602,665
Special funds	1,591,189
Interdepartmental transfers	67,662
Total	3,261,516

Sec. B.225.2 Agriculture, Food and Markets - Clean Water

Personal services	3,815,695
Operating expenses	745,519
Grants	11,035,000
Total	15,596,214
Source of funds	
General fund	1,705,135
Special funds	10,528,782
Federal funds	2,169,174
Interdepartmental transfers	1,193,123
Total	15,596,214

Sec. B.226 Financial regulation - administration

Personal services	2,726,198
Operating expenses	159,635
Grants	100,000
Total	2,985,833
Source of funds	
Special funds	2,985,833
Total	2,985,833

Sec. B.227 Financial regulation - banking

Personal services	2,400,645
Operating expenses	473,873
Total	2,874,518
Source of funds	
Special funds	2,874,518
Total	2,874,518

Sec. B.228 Financial regulation - insurance

Personal services	5,028,218
Operating expenses	556,622
Total	5,584,840
Source of funds	
Special funds	5,584,840
Total	5,584,840

Sec. B.229 Financial regulation - captive insurance

Personal services	5,723,322
Operating expenses	652,707
Total	6,376,029
Source of funds	
Special funds	6,376,029
Total	6,376,029

Sec. B.230 Financial regulation - securities

Personal services	1,269,574
Operating expenses	241,157
Total	1,510,731
Source of funds	
Special funds	1,510,731
Total	1,510,731

Sec. B.232 Secretary of state

Personal services	22,592,899
Operating expenses	4,345,999
Grants	1,000,000
Total	27,938,898
Source of funds	
General fund	1,000,000
Special funds	19,922,486
Federal funds	7,016,412
Total	27,938,898

Sec. B.233 Public service - regulation and energy

Personal services	10,861,325
Operating expenses	1,405,907
Grants	28,300
Total	12,295,532
Source of funds	
Special funds	11,060,542
Federal funds	992,781
Interdepartmental transfers	225,423
Enterprise funds	16,786
Total	12,295,532

Sec. B.233.1 VT Community Broadband Board

Personal services	1,609,379
Operating expenses	269,690
Grants	150,000
Total	2,029,069
Source of funds	
Special funds	1,269,289
Federal funds	759,780
Total	2,029,069

Sec. B.234 Public utility commission

Personal services	5,052,403
Operating expenses	617,149
Total	5,669,552
Source of funds	
Special funds	5,669,552
Total	5,669,552

Sec. B.235 Enhanced 9-1-1 Board

Personal services	4,429,219
Operating expenses	471,441
Total	4,900,660
Source of funds	
Special funds	4,900,660
Total	4,900,660

Sec. B.236 Human rights commission

Personal services	927,697
Operating expenses	115,103
Total	1,042,800
Source of funds	
General fund	953,800
Federal funds	89,000
Total	1,042,800

Sec. B.236.1 Liquor & Lottery Comm. Office

Personal services	9,831,453
Operating expenses	5,667,447
Total	15,498,900
Source of funds	
Special funds	125,000
Tobacco fund	250,579
Interdepartmental transfers	70,000
Enterprise funds	15,053,321
Total	15,498,900

Sec. B.240 Cannabis Control Board

Personal services	4,242,224
Operating expenses	1,819,990
Total	6,062,214
Source of funds	
Special funds	6,062,214
Total	6,062,214

Sec. B.241 Total protection to persons and property

Source of funds	
General fund	228,238,448
Transportation fund	20,250,000
Special funds	119,824,272
Tobacco fund	672,579

Federal funds	162,959,452
Interdepartmental transfers	16,022,869
Enterprise funds	15,070,107
Total	563,037,727

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

Personal services	17,119,746
Operating expenses	7,220,486
Grants	2,895,202
Total	27,235,434
Source of funds	
General fund	12,913,202
Special funds	135,517
Federal funds	13,565,080
Interdepartmental transfers	621,635
Total	27,235,434

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

Grants	2,039,030,122
Total	2,039,030,122
Source of funds	
General fund	668,181,378
Special funds	32,047,905
Tobacco fund	21,049,373
State health care resources fund	28,053,557
Federal funds	1,285,210,699
Interdepartmental transfers	4,487,210
Total	2,039,030,122

Sec. B.303 Developmental disabilities council

Personal services	479,072
Operating expenses	95,765
Grants	191,595
Total	766,432
Source of funds	
Special funds	12,000
Federal funds	754,432
Total	766,432

Sec. B.304 Human services board

Personal services	703,548
Operating expenses	90,191
Total	793,739

Source of funds	
General fund	486,165
Federal funds	307,574
Total	793,739

Sec. B.305 AHS - administrative fund

Personal services	330,000
Operating expenses	13,170,000
Total	13,500,000
Source of funds	
Interdepartmental transfers	13,500,000
Total	13,500,000

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

Personal services	134,929,148
Operating expenses	44,171,193
Grants	3,112,301
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	4,508,158
Total	182,212,642

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

Personal services	547,983
Grants	899,550,794
Total	900,098,777
Source of funds	
Global Commitment fund	900,098,777
Total	900,098,777

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

Grants	63,033,948
Total	63,033,948
Source of funds	
General fund	62,151,546
Global Commitment fund	882,402
Total	63,033,948

Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched	
Grants	34,994,888
Total	34,994,888
Source of funds	
General fund	12,511,405
Federal funds	22,483,483
Total	34,994,888
Sec. B.311 Health - administration and support	
Personal services	8,373,168
Operating expenses	7,519,722
Grants	7,985,727
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	166,231
Total	23,878,617
Sec. B.312 Health - public health	
Personal services	67,812,371
Operating expenses	11,025,497
Grants	47,128,832
Total	125,966,700
Source of funds	
General fund	12,908,892
Special funds	25,306,804
Tobacco fund	1,088,918
Federal funds	64,038,301
Global Commitment fund	17,036,150
Interdepartmental transfers	5,600,635
Permanent trust funds	25,000
Total	126,004,700
Sec. B.313 Health - substance use programs	
Personal services	6,570,967
Operating expenses	511,500
Grants	56,986,599
Total	64,069,066

Source of funds	
General fund	6,643,150
Special funds	1,213,678
Tobacco fund	949,917
Federal funds	15,456,754
Global Commitment fund	39,805,567
Total	64,069,066

Sec. B.314 Mental health - mental health

Personal services	50,191,086
Operating expenses	5,517,999
Grants	270,625,138
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	14,140
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	5,627,175
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	462,127
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	97,944,827
Total	148,457,830
Source of funds	
General fund	58,327,357

Special funds	729,587
Federal funds	34,871,380
Global Commitment fund	54,514,506
Interdepartmental transfers	15,000
Total	148,457,830

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

Personal services	5,908,038
Operating expenses	813,321
Grants	226,329,336
Total	233,050,695
Source of funds	
General fund	79,723,518
Special funds	96,312,000
Federal funds	43,511,414
Global Commitment fund	13,503,763
Total	233,050,695

Sec. B.319 Department for children and families - office of child support

Personal services	13,157,660
Operating expenses	3,759,992
Total	16,917,652
Source of funds	
General fund	5,200,064
Special funds	455,719
Federal funds	10,874,269
Interdepartmental transfers	387,600
Total	16,917,652

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

Personal services	2,252,206
Grants	10,717,444
Total	12,969,650
Source of funds	
General fund	7,376,133
Global Commitment fund	5,593,517
Total	12,969,650

Sec. B.321 Department for children and families - general assistance

Personal services	15,000
Grants	11,054,252
Total	11,069,252

Source of funds	
General fund	10,811,345
Federal funds	11,320
Global Commitment fund	246,587
Total	11,069,252

Sec. B.322 Department for children and families - 3SquaresVT

Grants	44,377,812
Total	44,377,812
Source of funds	
Federal funds	44,377,812
Total	44,377,812

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

Operating expenses	23,821
Grants	37,230,488
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	3,744,708
Total	37,254,309

Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP

Grants	16,019,953
Total	16,019,953
Source of funds	
Special funds	1,480,395
Federal funds	14,539,558
Total	16,019,953

Sec. B.325 Department for children and families - office of economic opportunity

Personal services	817,029
Operating expenses	100,407
Grants	35,466,283
Total	36,383,719
Source of funds	
General fund	28,178,010
Special funds	83,135
Federal funds	4,935,273

Global Commitment fund	3,187,301
Total	36,383,719

Sec. B.326 Department for children and families - OEO - weatherization assistance

Personal services	465,709
Operating expenses	248,905
Grants	15,147,885
Total	15,862,499
Source of funds	
Special funds	7,697,546
Federal funds	8,164,953
Total	15,862,499

Sec. B.327 Department for Children and Families - Secure Residential Treatment

Personal services	258,100
Operating expenses	42,225
Grants	3,476,862
Total	3,777,187
Source of funds	
General fund	3,747,187
Global Commitment fund	30,000
Total	3,777,187

Sec. B.328 Department for children and families - disability determination services

Personal services	7,860,410
Operating expenses	488,354
Total	8,348,764
Source of funds	
General fund	124,172
Federal funds	8,224,592
Total	8,348,764

Sec. B.329 Disabilities, aging, and independent living - administration & support

Personal services	45,217,977
Operating expenses	6,472,558
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	1,285,700
Total	51,690,535

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

Grants	24,571,060
Total	24,571,060
Source of funds	
General fund	8,392,303
Federal funds	7,321,114
Global Commitment fund	8,857,643
Total	24,571,060

Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

Grants	1,907,604
Total	1,907,604
Source of funds	
General fund	489,154
Special funds	223,450
Federal funds	890,000
Global Commitment fund	305,000
Total	1,907,604

Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation

Grants	10,179,845
Total	10,179,845
Source of funds	
General fund	1,371,845
Federal funds	7,558,000
Interdepartmental transfers	1,250,000
Total	10,179,845

Sec. B.333 Disabilities, aging, and independent living - developmental services

Grants	329,299,344
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	50,000
Total	329,299,344

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

Grants	6,845,005
Total	6,845,005
Source of funds	
Global Commitment fund	6,845,005
Total	6,845,005

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

Grants	293,584,545
Total	293,584,545
Source of funds	
General fund	498,579
Federal funds	2,450,000
Global Commitment fund	290,635,966
Total	293,584,545

Sec. B.335 Corrections - administration

Personal services	5,025,978
Operating expenses	266,783
Total	5,292,761
Source of funds	
General fund	5,292,761
Total	5,292,761

Sec. B.336 Corrections - parole board

Personal services	475,099
Operating expenses	59,692
Total	534,791
Source of funds	
General fund	534,791
Total	534,791

Sec. B.337 Corrections - correctional education

Personal services	3,979,310
Operating expenses	252,649
Total	4,231,959

Source of funds	
General fund	4,082,899
Federal funds	276
Interdepartmental transfers	148,784
Total	4,231,959

Sec. B.338 Corrections - correctional services

Personal services	147,472,104
Operating expenses	24,914,205
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	396,315
Total	172,386,309

Sec. B.338.1 Corrections - Justice Reinvestment II

Grants	10,755,849
Total	10,755,849
Source of funds	
General fund	8,178,161
Federal funds	13,147
Global Commitment fund	2,564,541
Total	10,755,849

Sec. B.339 Corrections - correctional services - out of state beds

Personal services	4,130,378
Total	4,130,378
Source of funds	
General fund	4,130,378
Total	4,130,378

Sec. B.340 Corrections - correctional facilities - recreation

Personal services	634,972
Operating expenses	456,715
Total	1,091,687
Source of funds	
Special funds	1,091,687
Total	1,091,687

Sec. B.341 Corrections - Vermont offender work program

Personal services	324,103
Operating expenses	166,750
Total	490,853
Source of funds	
Internal service funds	490,853
Total	490,853

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

Personal services	17,631,222
Operating expenses	5,013,462
Total	22,644,684
Source of funds	
General fund	4,320,687
Special funds	10,051,903
Federal funds	8,272,094
Total	22,644,684

Sec. B.343 Commission on women

Personal services	398,669
Operating expenses	93,837
Total	492,506
Source of funds	
General fund	487,998
Special funds	4,508
Total	492,506

Sec. B.344 Retired senior volunteer program

Grants	160,155
Total	160,155
Source of funds	
General fund	160,155
Total	160,155

Sec. B.345 Green Mountain Care Board

Personal services	8,396,809
Operating expenses	398,601
Total	8,795,410
Source of funds	
General fund	3,494,109
Special funds	5,301,301
Total	8,795,410

Sec. B.346 Office of the Child, Youth, and Family Advocate

Personal services	342,966
Operating expenses	88,820
Total	431,786
Source of funds	
General fund	431,786
Total	431,786

Sec. B.347 Total human services

Source of funds	
General fund	1,330,079,266
Special funds	202,000,452
Tobacco fund	23,088,208
State health care resources fund	28,053,557
ARPA State Fiscal	5,000,000
Federal funds	1,803,320,562
Global Commitment fund	1,980,839,553
Internal service funds	490,853
Interdepartmental transfers	32,893,535
Permanent trust funds	25,000
Total	5,405,790,986

Sec. B.400 Labor - programs

Personal services	39,963,839
Operating expenses	5,708,836
Grants	9,199,639
Total	54,872,314
Source of funds	
General fund	10,916,365
Special funds	9,407,107
Federal funds	34,261,616
Interdepartmental transfers	287,226
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	287,226
Total	54,872,314

Sec. B.500 Education - finance and administration

Personal services	21,961,664
Operating expenses	4,484,934
Grants	14,770,700
Total	41,217,298
Source of funds	
General fund	7,192,085
Special funds	16,618,543
Education fund	3,486,988
Federal funds	13,154,385
Global Commitment fund	260,000
Interdepartmental transfers	505,297
Total	41,217,298

Sec. B.501 Education - education services

Personal services	28,237,700
Operating expenses	1,134,912
Grants	322,345,763
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	962,474
Total	351,718,375

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

Grants	264,649,859
Total	264,649,859
Source of funds	
Education fund	264,649,859
Total	264,649,859

Sec. B.503 Education - state-placed students

Grants	20,000,000
Total	20,000,000
Source of funds	
Education fund	20,000,000
Total	20,000,000

Sec. B.504 Education - adult education and literacy

Grants	4,694,183
Total	4,694,183
Source of funds	
General fund	3,778,133
Federal funds	916,050
Total	4,694,183

Sec. B.504.1 Education - Flexible Pathways

Grants	11,361,755
Total	11,361,755
Source of funds	
General fund	921,500
Education fund	10,440,255
Total	11,361,755

Sec. B.505 Education - adjusted education payment

Grants	1,902,951,000
Total	1,902,951,000
Source of funds	
Education fund	1,902,951,000
Total	1,902,951,000

Sec. B.506 Education - transportation

Grants	25,306,000
Total	25,306,000
Source of funds	
Education fund	25,306,000
Total	25,306,000

Sec. B.507 Education - Merger Support Grants

Grants	1,800,000
Total	1,800,000
Source of funds	
Education fund	1,800,000
Total	1,800,000

Sec. B.507.1 Education – EL Categorical Aid

Grants	2,250,000
Total	2,250,000
Source of funds	
Education fund	2,250,000

Total	2,250,000
Sec. B.508 Education - nutrition	
Grants	20,400,000
Total	20,400,000
Source of funds	
Education fund	20,400,000
Total	20,400,000
Sec. B.509 Education - Afterschool Grant Program	
Personal services	500,000
Grants	3,500,000
Total	4,000,000
Source of funds	
Special funds	4,000,000
Total	4,000,000
Sec. B.510 Education - essential early education grant	
Grants	8,725,587
Total	8,725,587
Source of funds	
Education fund	8,725,587
Total	8,725,587
Sec. B.511 Education - technical education	
Grants	17,881,950
Total	17,881,950
Source of funds	
Education fund	17,881,950
Total	17,881,950
Sec. B.511.1 State Board of Education	
Personal services	54,208
Operating expenses	16,500
Total	70,708
Source of funds	
General fund	70,708
Total	70,708
Sec. B.513 Retired Teachers Pension Plus Funding	
Grants	12,000,000
Total	12,000,000

Source of funds	
General fund	12,000,000
Total	12,000,000

Sec. B.514 State teachers' retirement system

Grants	191,382,703
Total	191,382,703
Source of funds	
General fund	155,384,035
Education fund	35,998,668
Total	191,382,703

Sec. B.514.1 State teachers' retirement system administration

Personal services	349,979
Operating expenses	3,222,801
Total	3,572,780
Source of funds	
Pension trust funds	3,572,780
Total	3,572,780

Sec. B.515 Retired teachers' health care and medical benefits

Grants	62,107,644
Total	62,107,644
Source of funds	
General fund	43,031,103
Education fund	19,076,541
Total	62,107,644

Sec. B.516 Total general education

Source of funds	
General fund	228,765,519
Special funds	23,651,687
Tobacco fund	750,388
Education fund	2,332,966,848
Federal funds	354,654,849
Global Commitment fund	260,000
Interdepartmental transfers	1,467,771
Pension trust funds	3,572,780
Total	2,946,089,842

Sec. B.600 University of Vermont

Grants	55,706,897
Total	55,706,897

Source of funds	
General fund	55,706,897
Total	55,706,897

Sec. B.602 Vermont state colleges

Grants	50,940,478
Total	50,940,478
Source of funds	
General fund	50,940,478
Total	50,940,478

Sec. B.603 Vermont state colleges - allied health

Grants	1,788,434
Total	1,788,434
Source of funds	
General fund	288,434
Global Commitment fund	1,500,000
Total	1,788,434

Sec. B.605 Vermont student assistance corporation

Grants	26,139,946
Total	26,139,946
Source of funds	
General fund	26,139,946
Total	26,139,946

Sec. B.605.1 VSAC - Flexible Pathways Stipend

Grants	82,450
Total	82,450
Source of funds	
General fund	41,225
Education fund	41,225
Total	82,450

Sec. B.606 New England higher education compact

Grants	86,520
Total	86,520
Source of funds	
General fund	86,520
Total	86,520

Sec. B.607 University of Vermont - Morgan Horse Farm

Grants	1

Total	1
Source of funds	
General fund	1
Total	1

Sec. B.608 Total higher education

Source of funds	
General fund	133,203,501
Education fund	41,225
Global Commitment fund	1,500,000
Total	134,744,726

Sec. B.700 Natural resources - agency of natural resources - administration

Personal services	6,006,412
Operating expenses	1,475,166
Total	7,481,578
Source of funds	
General fund	5,129,356
Special funds	775,079
Interdepartmental transfers	1,577,143
Total	7,481,578

Sec. B.701 Natural resources - state land local property tax assessment

Operating expenses	2,689,176
Total	2,689,176
Source of funds	
General fund	2,267,676
Interdepartmental transfers	421,500
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	853,066
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	1,490,597
Total	30,294,005

Sec. B.703 Forests, parks and recreation - administration

Personal services	1,847,215
Operating expenses	1,658,662
Total	3,505,877
Source of funds	
General fund	3,367,366
Special funds	138,511
Total	3,505,877

Sec. B.704 Forests, parks and recreation - forestry

Personal services	7,880,566
Operating expenses	1,005,046
Grants	1,712,423
Total	10,598,035
Source of funds	
General fund	6,299,512
Special funds	547,215
Federal funds	3,394,931
Interdepartmental transfers	356,377
Total	10,598,035

Sec. B.705 Forests, parks and recreation - state parks

Personal services	13,141,062
Operating expenses	5,555,506
Grants	50,000
Total	18,746,568
Source of funds	
General fund	961,122
Special funds	17,785,446
Total	18,746,568

Sec. B.706 Forests, parks and recreation - lands administration and recreation

Personal services	3,209,865
Operating expenses	7,721,058
Grants	3,729,759
Total	14,660,682
Source of funds	
General fund	1,179,068
Special funds	2,283,759
Federal funds	10,802,370
Interdepartmental transfers	395,485
Total	14,660,682

Sec. B.708 Forests, parks and recreation - forest and parks access roads

Personal services	130,000
Operating expenses	99,925
Total	229,925
Source of funds	
General fund	229,925
Total	229,925

Sec. B.709 Environmental conservation - management and support services

Personal services	9,202,579
Operating expenses	4,811,255
Grants	122,735
Total	14,136,569
Source of funds	
General fund	2,243,575
Special funds	794,867
Federal funds	2,164,711
Interdepartmental transfers	8,933,416
Total	14,136,569

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

Personal services	27,995,328
Operating expenses	10,788,954
Grants	4,943,000
Total	43,727,282
Source of funds	
General fund	199,372
Special funds	24,643,580
Federal funds	18,800,064
Interdepartmental transfers	84,266
Total	43,727,282

Sec. B.711 Environmental conservation - office of water programs

Personal services	50,153,806
Operating expenses	8,362,915
Grants	92,365,140
Total	150,881,861
Source of funds	
General fund	11,887,629
Special funds	30,967,150
Federal funds	107,154,542
Interdepartmental transfers	872,540

Total	150,881,861
Sec. B.713 Natural resources board	
Personal services	3,313,829
Operating expenses	421,198
Total	3,735,027
Source of funds	
General fund	760,232
Special funds	2,974,795
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	14,131,324
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	389,320
Total	3,597,146
Source of funds	
General fund	3,597,146
Total	3,597,146
Sec. B.801 Economic development	
Personal services	4,612,442
Operating expenses	1,215,603
Grants	6,539,044
Total	12,367,089
Source of funds	
General fund	5,701,138
Special funds	820,850
Federal funds	4,021,428
Interdepartmental transfers	1,823,673
Total	12,367,089

Sec. B.802 Housing and community development	
Personal services	7,645,042
Operating expenses	910,983
Grants	23,978,656
Total	32,534,681
Source of funds	
General fund	5,365,841
Special funds	8,702,439
Federal funds	14,615,349
Interdepartmental transfers	3,851,052
Total	32,534,681
Sec. B.806 Tourism and marketing	
Personal services	5,332,723
Operating expenses	6,090,577
Grants	3,920,000
Total	15,343,300
Source of funds	
General fund	4,785,247
Federal funds	10,483,053
Interdepartmental transfers	75,000
Total	15,343,300
Sec. B.808 Vermont council on the arts	
Grants	973,848
Total	973,848
Source of funds	
General fund	973,848
Total	973,848
Sec. B.809 Vermont symphony orchestra	
Grants	149,680
Total	149,680
Source of funds	
General fund	149,680
Total	149,680
Sec. B.810 Vermont historical society	
Grants	1,135,640
Total	1,135,640
Source of funds	
General fund	1,135,640

Total	1,135,640
Sec. B.811 Vermont housing and conservation board	
Grants	82,283,351
Total	82,283,351
Source of funds	
Special funds	25,607,155
Federal funds	56,676,196
Total	82,283,351
Sec. B.812 Vermont humanities council	
Grants	309,000
Total	309,000
Source of funds	
General fund	309,000
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	5,749,725
Total	148,693,735
Sec. B.900 Transportation - finance and administration	
Personal services	18,099,986
Operating expenses	6,108,609
Grants	350,000
Total	24,558,595
Source of funds	
Transportation fund	23,202,105
Federal funds	1,356,490
Total	24,558,595
Sec. B.901 Transportation - aviation	
Personal services	3,907,105
Operating expenses	17,194,905
Grants	737,501
Total	21,839,511
Source of funds	
Transportation fund	5,766,122
Federal funds	16,073,389

Total	21,839,511
Sec. B.902 Transportation - buildings	
Personal services	1,025,000
Operating expenses	1,800,000
Total	2,825,000
Source of funds	
Transportation fund	2,825,000
Total	2,825,000
Sec. B.903 Transportation - program development	
Personal services	82,232,854
Operating expenses	307,766,179
Grants	30,605,814
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	4,224,314
Total	420,604,847
Sec. B.904 Transportation - rest areas construction	
Personal services	300,000
Operating expenses	1,185,601
Total	1,485,601
Source of funds	
Transportation fund	148,560
Federal funds	1,337,041
Total	1,485,601
Sec. B.905 Transportation - maintenance state system	
Personal services	42,757,951
Operating expenses	63,980,546
Total	106,738,497
Source of funds	
Transportation fund	105,706,483
Federal funds	932,014
Interdepartmental transfers	100,000
Total	106,738,497

Sec. B.906 Transportation - policy and planning

Personal services	4,108,918
Operating expenses	942,444
Grants	9,000,491
Total	14,051,853
Source of funds	
Transportation fund	3,137,901
Federal funds	10,797,449
Interdepartmental transfers	116,503
Total	14,051,853

Sec. B.906.1 Transportation - Environmental Policy and Sustainability

Personal services	6,953,362
Operating expenses	76,411
Grants	1,480,000
Total	8,509,773
Source of funds	
Transportation fund	531,909
Federal funds	6,800,327
Local match	1,177,537
Total	8,509,773

Sec. B.907 Transportation - rail

Personal services	5,734,768
Operating expenses	43,012,063
Total	48,746,831
Source of funds	
Transportation fund	15,690,849
Federal funds	30,641,237
Interdepartmental transfers	2,196,000
Local match	218,745
Total	48,746,831

Sec. B.908 Transportation - public transit

Personal services	4,612,631
Operating expenses	119,894
Grants	51,907,700
Total	56,640,225
Source of funds	
Transportation fund	9,807,525
Federal funds	46,692,700
Interdepartmental transfers	140,000

Total	56,640,225

Sec. B.909 Transportation - central garage

Personal services	5,480,920
Operating expenses	19,170,315
Total	24,651,235
Source of funds	
Internal service funds	24,651,235
Total	24,651,235

Sec. B.910 Department of motor vehicles

Personal services	33,713,124
Operating expenses	13,549,772
Total	47,262,896
Source of funds	
Transportation fund	44,454,119
Federal funds	2,687,081
Interdepartmental transfers	121,696
Total	47,262,896

Sec. B.911 Transportation - town highway structures

Grants	7,416,000
Total	7,416,000
Source of funds	
Transportation fund	7,416,000
Total	7,416,000

Sec. B.912 Transportation - town highway local technical assistance program

Personal services	449,763
Operating expenses	31,689
Total	481,452
Source of funds	
Transportation fund	121,452
Federal funds	360,000
Total	481,452

Sec. B.913 Transportation - town highway class 2 roadway

Grants	8,858,000
Total	8,858,000
Source of funds	
Transportation fund	8,858,000
Total	8,858,000

Sec. B.914 Transportation - town highway bridges

Personal services	12,185,000
Operating expenses	33,149,278
Total	45,334,278
Source of funds	
TIB fund	3,973,281
Federal funds	39,264,097
Local match	2,096,900
Total	45,334,278

Sec. B.915 Transportation - town highway aid program

Grants	29,532,753
Total	29,532,753
Source of funds	
Transportation fund	29,532,753
Total	29,532,753

Sec. B.916 Transportation - town highway class 1 supplemental grants

Grants	128,750
Total	128,750
Source of funds	
Transportation fund	128,750
Total	128,750

Sec. B.917 Transportation - town highway: state aid for nonfederal disasters

Grants	1,150,000
Total	1,150,000
Source of funds	
Transportation fund	1,150,000
Total	1,150,000

Sec. B.918 Transportation - town highway: state aid for federal disasters

Personal services	25,000
Grants	155,000
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	160,000
Total	180,000

Sec. B.919 Transportation - municipal mitigation assistance program

Personal services	125,000

Operating expenses	280,000
Grants	6,738,000
Total	7,143,000
Source of funds	
Transportation fund	715,000
Special funds	5,000,000
Federal funds	1,428,000
Total	7,143,000

Sec. B.920 Transportation - public assistance grant program

Operating expenses	200,000
Grants	1,050,000
Total	1,250,000
Source of funds	
Special funds	50,000
Federal funds	1,000,000
Interdepartmental transfers	200,000
Total	1,250,000

Sec. B.921 Transportation board

Personal services	176,315
Operating expenses	23,782
Total	200,097
Source of funds	
Transportation fund	200,097
Total	200,097

Sec. B.922 Total transportation

Source of funds	
Transportation fund	325,257,772
TIB fund	18,700,000
Special funds	5,050,000
Federal funds	493,926,974
Internal service funds	24,651,235
Interdepartmental transfers	4,285,717
Local match	7,717,496
Total	879,589,194

Sec. B.1000 Debt service

Operating expenses	675,000
Total	675,000
Source of funds	
General fund	675,000

Total	675,000

Sec. B.1001 Total debt service

Source of funds	
General fund	675,000
Total	675,000

* * * Fiscal Year 2025 One-time Appropriations * * *

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2025 ONE-TIME APPROPRIATIONS

(a) Department of Public Safety. In fiscal year 2025, funds are appropriated for the following:

(1) $12,500,000 General Fund to be used as matching funds for Federal Emergency Management Agency (FEMA) Flood Hazard Mitigation grant receipts; and

(2) $250,000 General Fund to fund the Urban Search and Rescue Team.

(b) Military Department. In fiscal year 2025, funds are appropriated for the following:

(1) $10,000 General Fund for the USS Vermont Support Group.

(c) Department of Mental Health. In fiscal year 2025, funds are appropriated for the following:

(1) $1,000,000 General Fund for start-up costs related to the psychiatric youth inpatient facility funded by 2023 Acts and Resolves No. 78, Sec. B.1105(b)(4).

(d) Department of Health. In fiscal year 2025, funds are appropriated for the following:

(1) $1,060,000 Opioid Abatement Special Fund for a program administered by Vermont's 13 recovery centers in collaboration with the Department of Corrections to provide recovery support to those in correctional facilities, post-incarceration, and involved in probation and parole;

(2) $1,000,000 Opioid Abatement Special Fund for grants to providers to establish community-based stabilization beds for individuals transitioning between substance use disorder residential treatment and the recovery system;

(3) $800,000 Opioid Abatement Special Fund for grants to providers for ongoing support for contingency management;

(4) $714,481 Opioid Abatement Special Fund to expand Student Assistance Professional and school-based services;

(5) $325,000 Opioid Abatement Special Fund for recovery housing supports;

(6) $300,000 Opioid Abatement Special Fund for a grant to Johnson Health Center and Vermonters for Criminal Justice Reform to establish a managed medical response partnership for individuals with substance use disorder;

(7) $835,073 General Fund for the Bridges to Health Program; and

(8) $400,000 General Fund for the Vermont Household Health Insurance Survey.

(e) Department for Children and Families. In fiscal year 2025, funds are appropriated for the following:

(1) $16,500,000 General Fund for the General Assistance Emergency Housing program;

(2) $3,000,000 General Fund for the Family Service Division Comprehensive Child Welfare Information System;

(3) $1,034,065 General Fund to extend 10 Economic Services Division limited service positions, including associated operating costs, in support of the General Assistance Emergency Housing program; and

(4) $176,480 General Fund for a 2-1-1 service line contract to operate 24 hours five days per week.

(f) Vermont State University. In fiscal year 2025, funds are appropriated for the following:

(1) $10,000,000 General Fund for deficit reduction and systems transformation bridge funding; and

(2) $1,000,000 General Fund for the Community College of Vermont Tuition Advantage Program.

(g) Department of Environmental Conservation. In fiscal year 2025, funds are appropriated for the following:

(1) $500,000 General Fund to be used as State match for the federal Water Resources Development Act (WRDA) Winooski Study;

(2) $2,000,000 General Fund to continue the Healthy Homes Initiative;

(3) $225,000 General Fund for contracting to support development of State Flood Hazard Area Standards;

(4) $1,500,000 General Fund for contracting to support completion of river corridor mapping and implementation of river corridor permitting;

(5) $150,000 General Fund for contracting to support wetlands mapping and rulemaking; and

(6) $50,000 General Fund for education and outreach on the use of unencapsulated polystyrene foam for docks in waters of the State.

(h) Department of Economic Development. In fiscal year 2025, funds are appropriated for the following:

(1) $150,000 General Fund for continued funding of the International Business Office previously funded by 2021 Acts and Resolves No. 74, Sec. G.300(b)(1).

(i) Department of Housing and Community Development. In fiscal year 2025, funds are appropriated for the following:

(1) $1,000,000 General Fund for the Manufactured Home Improvement and Repair Program.

(j) Agency of Transportation. In fiscal year 2025, funds are appropriated for the following:

(1) $1,000,000 Transportation Fund for a grant to Green Mountain Transit as one-time bridge funding while Green Mountain Transit stabilizes its finances, adjusts its service levels, and transitions to a sustainable funding model; and

(2) $900,000 Transportation Fund to increase Vermonters' access to electric vehicle supply equipment charging ports. These funds shall be derived from the revenue generated by the annual electric vehicle infrastructure fee; provided, however, that if the revenue generated by the fee in fiscal year 2025 is less than $900,000, the amount to be appropriated pursuant to this subdivision shall be limited to the actual amount of revenue generated by the fee in fiscal year 2025.

(k) Secretary of State. In fiscal year 2025, funds are appropriated for the following:

(1) $300,000 General Fund to support the costs of elections in calendar year 2024;

(2) $67,000 General Fund, notwithstanding 3 V.S.A. § 124(a), to the Office of Professional Regulation to support the administrative work necessary to implement newly joined interstate compacts; and

(3) $50,000 General Fund for a consultant to assist the Working Group on Participation and Accessibility of Municipal Public Meetings and Elections.

(l) Department of Forests, Parks and Recreation. In fiscal year 2025, funds are appropriated for the following:

(1) $1,000,000 General Fund for the pilot expansion of the Water Quality Assistance Program to provide financial assistance to logging contractors.

(m) Agency of Agriculture, Food and Markets. In fiscal year 2025, funds are appropriated for the following:

(1) $240,000 General Fund for a grant to the Northeast Organic Farming Association of Vermont for the Crop Cash, Crop Cash Plus, and Farm Share programs; and

(2) $100,000 General Fund for grants to Vermont's 14 Natural Resources Conservation Districts.

(n) Agency of Human Services Secretary's Office. In fiscal year 2025, funds are appropriated for the following:

(1) $3,913,200 General Fund and $5,366,383 federal funds to be used for Global Commitment match for the Medicaid Global Commitment Payment Program. To the extent that at a future date the Global Payment Program ceases to operate as a program or changes methodology to a retrospective payment program, any resulting one-time General Fund spending authority created at that time shall be reserved in the Human Services Caseload Reserve established in 32 V.S.A. § 308b up to the amount appropriated in this subdivision.

(o) Department of Vermont Health Access. In fiscal year 2025, funds are appropriated for the following:

(1) $9,279,583 Global Commitment for the Medicaid Global Payment Program;

(2) $150,000 General Fund to conduct a technical analysis of Vermont's health insurance markets; and

(3) $100,000 General Fund to implement the expansion of Medicare Savings Programs eligibility.

(p) Department of Disabilities, Aging, and Independent Living. In fiscal year 2025, funds are appropriated for the following:

(1) $82,000 General Fund to fund the start-up costs relating to the Adult Days center in central Vermont.

(q) Center for Crime Victim Services. In fiscal year 2025, funds are appropriated for the following:

(1) $254,000 General Fund for a grant to the Vermont Network Against Domestic and Sexual Violence to maintain its current level of operations;

(2) $60,000 General Fund for a grant to support the creation of the Memorial and Healing Garden on the former grounds of Saint Joseph's Orphanage; and

(3) $22,000 General Fund for a grant to the Intercollegiate Sexual Harm Prevention Council for the purpose of staffing the Council and providing per diem compensation and reimbursement of expenses to members who are not otherwise compensated by their employer.

(r) Department of Corrections. In fiscal year 2025, funds are appropriated for the following:

(1) $300,000 General Fund for the purpose of contracting with a vendor to enhance the Department's capacity to analyze and interpret data, with the goals of transferring individuals from incarceration to community supervision more quickly and improving reentry and case management processes.

(s) Green Mountain Care Board. In fiscal year 2025, funds are appropriated for the following:

(1) $15,000 General Fund for a contract with a qualified entity for a reference-based pricing analysis.

(t) Joint Fiscal Office. In fiscal year 2025, funds are appropriated for the following:

(1) $50,000 General Fund for a consultant to assist the County and Regional Governance Study Committee.

(u) General Assembly. In fiscal year 2025, funds are appropriated for the following:

(1) $15,000 General Fund for per diem compensation and expense reimbursement for the members of the County and Regional Governance Study Committee.

(v) Agency of Administration. In fiscal year 2025, funds are appropriated for the following:

(1) $200,000 General Fund for local economic damage grants to municipalities that were impacted by the August and December 2023 flooding events in counties that are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declarations

DR-4744-VT and DR-4695-VT. It is the intent of the General Assembly that these local economic damage grants be distributed to municipalities throughout the State to address the secondary economic impacts of the August and December 2023 flooding events. Monies from these grants shall not be expended on FEMA-related projects.

Sec. B.1101.1 TRUTH AND RECONCILIATION COMMISSION

(a) In fiscal year 2025, $1,100,000 General Fund is appropriated to the Truth and Reconciliation Commission.

Sec. B.1102 UNOBLIGATED GENERAL FUND CONTINGENT APPROPRIATIONS

(a) After satisfying the requirements of 32 V.S.A. § 308, but prior to satisfying the requirements of 32 V.S.A. § 308c, the remaining unobligated and unexpended balance of the General Fund at the close of fiscal year 2024 shall be appropriated or transferred, to the extent that funds are available, in fiscal year 2025 in the following order:

(1) $20,000,000 to the Department for Children and Families for the General Assistance Emergency Housing program.

(2) $3,500,000 to the Community Resilience and Disaster Mitigation Fund, which shall be used for grants to municipalities with FEMA-approved Individuals and Households Program registrations for Individual Assistance relating to a calendar year 2023 flooding event for subgrants to residential building owners of up to $300,000 for residential structure elevation projects.

(3) $1,000,000 to the Dam Safety Revolving Loan Fund.

(4) $1,000,000 to the Department of Environmental Conservation for the Healthy Homes Initiative.

(5) $2,000,000 to the Department of Housing and Community Development for the Vermont Housing Improvement Program.

(6) $2,500,000 to the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments. It is the intent of the General Assembly that these funds be used for the State match needed for water- and wastewater-related projects under the federal Infrastructure Investment and Jobs Act. These funds shall only be expended if authorized by the General Assembly.

(7) $1,300,000 to the Department for Children and Families for a grant to the Vermont Foodbank. It is the intent of the General Assembly that $1,000,000 of these funds be distributed proportionally to the Vermont Foodbank's network partner food shelves.

(8) $500,000 to the Department of Disabilities, Aging, and Independent Living for grants to skilled nursing facilities to increase the pipeline of employed licensed nursing assistants, including increasing the capacity of new and existing facility-based training programs, and developing or expanding collaborations with other programs, including career and technical education programs. Grants may support training program costs, paid internships, student support, and recruitment and retention bonuses.

(A) Of the funds appropriated in this subdivision (8), $150,000 shall be for grants of $30,000 or less.

(B) Of the funds appropriated in this subdivision (8), $350,000 shall be for up to three grants.

(9) $500,000 to the Department of Disabilities, Aging, and Independent Living for Medical Director recruitment and retention grants of not more than $50,000 per grant at skilled nursing facilities.

(10) $1,500,000 to the Department of Forests, Parks and Recreation for the Vermont Serve, Learn, and Earn Program.

(11) $2,000,000 to the Department of Housing and Community Development for the Vermont Housing Improvement Program.

(12) $2,500,000 to the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments. It is the intent of the General Assembly that these funds be used for the State match needed for water- and wastewater-related projects under the federal Infrastructure Investment and Jobs Act. These funds shall only be expended if authorized by the General Assembly.

(13) $1,000,000 to the Department of Public Safety's Division of Fire Safety to subsidize the cost of providing cancer screening to all Vermont professional and volunteer firefighters, as well as all enrollees in the Vermont Fire Academy Firefighter I program.

(14) $5,000,000 to the Agency of Commerce and Community Development for the Business Emergency Gap Assistance Program.

(15) $3,913,200 to the Human Services Caseload Reserve.

(16) $12,500,000 to the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments. It is the intent of the General Assembly that these funds be used for the State match needed for transportation-related projects under the federal Infrastructure Investment and Jobs Act. These funds shall only be expended if authorized by the General Assembly.

(17) $5,000,000 to the Dam Safety Revolving Loan Fund.

(18) $10,000,000 to the Department for Children and Families' Office of Economic Opportunity to expand shelter bed and permanent supportive housing capacity in the State.

Sec. B.1103 CASH FUND FOR CAPITAL AND ESSENTIAL INVESTMENTS – FISCAL YEAR 2025 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2025, $9,550,000 is appropriated from the Capital Infrastructure sub account in the Cash Fund for Capital and Essential Investments for the following projects:

(1) $220,000 is appropriated to the Department of Buildings and General Services for planning, reuse, and contingency;

(2) $2,300,000 is appropriated to the Department of Buildings and General Services for parking garage repairs at 32 Cherry Street in Burlington;

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

(4) $850,000 is appropriated to the Department of Buildings and General Services for the Judiciary for design, renovations, and land acquisition at the Washington County Superior Courthouse in Barre;

(5) $850,000 is appropriated to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Special Teams Facility and Storage;

(6) $850,000 is appropriated to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Rutland Field Station;

(7) $1,500,000 is appropriated to the Vermont Veterans' Home for the design and renovation of the Brandon and Cardinal units;

(8) $250,000 is appropriated to the Department of Buildings and General Services for planning for the 133-109 State Street tunnel waterproofing and Aiken Avenue reconstruction;

(9) $200,000 is appropriated to the Department of Buildings and General Services for the renovation of the stack area, HVAC upgrades, and the elevator replacement at 111 State Street;

(10) $1,000,000 is appropriated to the Department of Buildings and General Services for roof replacement and brick facade repairs at the McFarland State Office Building in Barre; and

(11) $30,000 is appropriated to the Department of Fish and Wildlife for the Lake Champlain International Fishing Derby.

Sec. B.1104 APPROPRIATION OF ARPA FUNDS; FISCAL YEAR 2025

(a) To the extent that any base funding appropriation that would have otherwise come from the General Fund or a special fund has been replaced in this act with the appropriation of an equivalent amount of American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund dollars, it is the intent of the General Assembly that this funding replacement for eligible expenses is a one-time funding option for fiscal year 2025 that shall not recur. Any agency or department impacted by this funding replacement in fiscal year 2025 shall include an equivalent amount of General Fund or relevant special fund in its budget proposal in future fiscal years in order to maintain its base appropriation.

* * * Fiscal Year 2024 Adjustments, Appropriations, and Amendments * * *

Sec. C.100 2023 Acts and Resolves No. 78, Sec. B.318 is amended to read:

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

Personal services		5,670,999
Operating expenses		810,497
Grants	~~95,860,842~~	85,860,842
Total	~~102,342,338~~	92,342,338
Source of funds		
General fund	~~35,016,309~~	25,016,309
Special funds		16,745,000
Federal funds		37,419,258
Global Commitment fund		13,161,771
Total	~~102,342,338~~	92,342,338

Sec. C.101 2023 Acts and Resolves No. 78, Sec. B.1100 is amended to read:

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

(l) Agency of Human Services Central Office. In fiscal year 2024, funds are appropriated for the following:

* * *

(3) ~~$10,000,000~~ $9,440,000 General Fund to continue to address the emergent and exigent circumstances impacting health care providers following the COVID-19 pandemic; ~~and~~

(4) $10,534,603 General Fund and $13,168 Federal Revenue Fund #2205 for use as Global Commitment matching funds for one-time caseload pressures due to the suspension of Medicaid eligibility redeterminations; and

(5) $560,000 General Fund and $751,168 Federal Revenue Fund #2205 for use as Global Commitment matching funds for supplemental nonemergency medical transportation funding.

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

(1) $366,066 General Fund and $372,048 Federal Revenue Fund #22005 ~~to the Department of Vermont Health Access~~ for a two-year pilot to expand the Blueprint for Health Hub and Spoke program ~~and~~;

(2) $15,583,352 Global Commitment Fund #20405 ~~to the Department of Health Access Medicaid program~~ for a two-year pilot to expand the Blueprint for Health Hub and Spoke program; and

(3) $1,311,168 in Global Commitment Fund #20405 as supplemental funding for nonemergency medical transportation services to address the urgent financial needs of the Department's contracted nonemergency medical transportation service providers.

(A) The Department of Vermont Health Access shall report on its new payment methodology for nonemergency medical transportation and the estimated costs of providing nonemergency medical transportation to Medicaid beneficiaries in fiscal year 2026 under that methodology as part of the Department's fiscal year 2025 budget adjustment presentation.

* * *

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

* * *

(13) $500,000 General Fund and $500,000 federal funds for information technology implementation to support the Summer Electronic Benefit Transfer Program.

* * *

Sec. C.102 GLOBAL COMMITMENT WAIVER AMENDMENT

(a) The Secretary of Human Services is authorized to request to amend Vermont's Global Commitment to Health Section 1115 Demonstration Waiver to make changes necessary to comply with federal Home and Community-Based Services Conflict of Interest requirements, as well as to seek approval of Federal Medical Assistance Percentage federal funds for certain room and board payments and rental assistance not currently eligible for Federal Medical Assistance Percentage federal funds.

Sec. C.103 GLOBAL COMMITMENT INVESTMENT; HOME-DELIVERED MEALS

(a) The Secretary of Human Services shall request approval from the Centers for Medicare and Medicaid Services for home-delivered meals that are part of a participant's service plan of care and meet Vermont's area agencies on aging's nutrition requirements in accordance with the Older Americans Act, 42 U.S.C. §§ 3001–3058ff to be a Global Commitment Investment.

Sec. C.104 3 V.S.A. § 3091 is amended to read:

§ 3091. HEARINGS

(a) An applicant for or a recipient of assistance, benefits, or social services from the Department for Children and Families, of Vermont Health Access, of Disabilities, Aging, and Independent Living, ~~or~~ of Mental Health, or of the Department of Health's Women, Infant, and Children program, or an applicant for a license from one of those departments, except for the Department of Health, or a licensee may file a request for a fair hearing with the Human Services Board. An opportunity for a fair hearing will be granted to any individual requesting a hearing because ~~his or her~~ the individual's claim for assistance, benefits, or services is denied, or is not acted upon with reasonable promptness; or because the individual is aggrieved by any other Agency action affecting ~~his or her~~ the individual's receipt of assistance, benefits, or services, or license or license application; or because the individual is aggrieved by Agency policy as it affects ~~his or her~~ the individual's situation.

* * *

Sec. C.105 2023 Acts and Resolves No. 78, Sec. E.104.1 is amended to read:

Sec. E.104.1 DEPARTMENT OF FINANCE AND MANAGEMENT; PENSION PLUS APPROPRIATION DIRECTIVE

(a) In fiscal year 2024, and in each applicable year thereafter, funds appropriated to the Department of Finance and Management and the Agency of Administration in Sec. B.104.1 ~~of this act~~ to fund additional payments to

the Vermont State Retirement System made pursuant to 3 V.S.A. § 473(c)(8) shall be directly deposited in the Vermont State Retirement System.

~~(b) Beginning in fiscal year 2025, and in each applicable year thereafter, additional contributions pursuant to 3 V.S.A. § 473(c)(8) shall be made through the percentage of payroll rate process pursuant to 3 V.S.A. § 473(d).~~

Sec. C.106 2023 Acts and Resolves No. 78, Sec. E.107(d) is amended to read:

(d) Contributions of State. As provided by law, the Retirement Board shall certify to the Governor or Governor-Elect a statement of the percentage of the payroll of all members sufficient to pay for all operating expenses of the Vermont State Retirement System and all contributions of the State that will become due and payable during the next biennium. The contributions of the State to pay the annual actuarially determined employer contribution ~~and any additional amounts pursuant to section (c)(8) of this section~~ shall be charged to the departmental appropriation from which members' salaries are paid and shall be included in each departmental budgetary request. Annually, on or before January 15, the Commissioner of Finance and Management shall provide to the General Assembly a breakdown of the components of the payroll charge applied to each department's budget in the current fiscal year and anticipated to apply in the upcoming fiscal year. This report shall itemize the percentages of payroll assessments to fund:

(1) the actuarially determined employer contribution to the Vermont State Retirement System; and

(2) ~~any additional payments made pursuant to subdivision (c)(8) of this section to the Vermont State Retirement System; and~~ the employer contribution to the State Employees' Postemployment Benefits Trust Fund made pursuant to 3 V.S.A. § 479a(e)(3).

~~(3) the employer contribution to the State Employees' Postemployment Benefits Trust Fund made pursuant to 3 V.S.A. § 479a (e)(3).~~

Sec. C.107 2023 Acts and Resolves No. 78, Sec. E.900 is amended to read:

Sec. E.900 TRANSPORTATION FUND RESERVE; REVERSIONS EXCLUDED

(a) ~~To calculate~~ For the purpose of calculating the fiscal year 2024 Transportation Fund Stabilization Reserve requirement of five percent of prior year appropriations, Transportation Fund reversions ~~of $20,727,012~~ are excluded from the fiscal year 2023 total appropriations amount.

Sec. C.108 CENTRAL GARAGE FUND

(a) Notwithstanding 19 V.S.A. § 13(c), the Transportation Fund transfer to the Central Garage fund in fiscal year 2024 shall be $0.

Sec. C.109 2023 Acts and Resolves No. 78, Sec B.1102 is amended to read:

Sec. B.1102 AFFORDABLE HOUSING DEVELOPMENT; FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2024, the amount of $10,000,000 General Fund is appropriated to the Department of Housing and Community Development for the Vermont Rental Housing Improvement Program established in 10 V.S.A. § 699. The Department may use up to five percent for administrative costs to allow for the support of the grant program and technical assistance.

* * *

Sec. C.110 EMERGENCY RENTAL ASSISTANCE PROGRAM; REVERSION AND REALLOCATION

(a) The Secretary of Administration is authorized to reallocate up to $5,000,000 of federal funds appropriated through the Emergency Rental Assistance Program, as approved by the Joint Fiscal Committee pursuant to Grant Request #3034, to existing State programs that meet the eligibility criteria established by the U.S. Treasury.

(b) To the extent the reallocations in subsection (a) of this section offset General Fund expenditures already incurred, the Commissioner of Finance and Management is authorized to reallocate an equivalent amount of General Fund spending authority to support programs established through Grant Request #3034 and subsequent Emergency Rental Assistance Program grant approvals by the Joint Fiscal Committee.

Sec. C.111 2024 Acts and Resolves No. 84, Sec. 4(b) is amended to read:

(b) Appropriation. The sum of $500,000.00 is appropriated from the General Fund to the Secretary of State in fiscal year 2024 for the purpose of offsetting election costs incurred by school districts pursuant to this section or the provisions of 2023 Acts and Resolves No. 1. To the extent to which these funds remain unobligated and unexpended at the end of fiscal year 2024, they shall revert to the General Fund and a new one-time General Fund appropriation shall be established in fiscal year 2025, in the amount reverted, to be used for election costs in fiscal year 2025.

Sec. C.112 2023 Acts and Resolves No. 22, Sec. 14 is amended to read:

Sec. 14. APPROPRIATION; OPIOID ABATEMENT SPECIAL FUND

In fiscal year 2023, the following monies shall be appropriated from the Opioid Abatement Special Fund pursuant to 18 V.S.A. § 4774:

(1) ~~$1,980,000.00 for the expansion of naloxone distribution efforts, including establishing harm reduction vending machines, home delivery and mail order options, and expanding the harm reduction pack and leave behind kit programs;~~

~~(2)~~(A) ~~$2,000,000.00~~ $1,500,000 divided equally between four opioid treatment programs to cover costs associated with partnering with other health care providers to expand satellite locations for the dosing of medications, including costs associated with the satellite locations' physical facilities, staff time at the satellite locations, and staff time at opioid treatment programs to prepare medications and coordinate with satellite locations;

(B) the satellite locations established pursuant to this subdivision ~~(2)~~(1) shall be located in Addison County, eastern or southern Vermont, ~~Chittenden County,~~ and in a facility operated by the Department of Corrections;

(2) $500,000 to expand the hours and operations of the Howard Center's Chittenden Clinic Addiction Treatment Center;

* * *

Sec. C.113 APPROPRIATION; EVIDENCE BASED EDUCATION AND ADVERTISING FUND

(a) $1,980,000 is appropriated from the Evidence-Based Education and Advertising Fund to the Department of Health for the expansion of opioid antagonist distribution efforts, including establishing harm reduction vending machines, home delivery and mail order options, and expanding the harm reduction pack and leave behind kit programs.

Sec. C.114 2023 Acts and Resolves No. 78, Sec. B.1105 is amended to read:

Sec. B.1105 CASH FUND FOR CAPITAL AND ESSENTIAL INVESTMENTS – FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2024, ~~$17,685,000~~ $15,435,000 is appropriated from the Capital Infrastructure sub account in the Cash Fund for Capital and Essential Investments for the following projects:

* * *

(7) ~~$600,000 is appropriated to the Department of Buildings and General Services for planning for the boiler replacement at the Northern State Correctional Facility in Newport;~~ [Repealed.]

* * *

(9) ~~$600,000 is appropriated to the Department of Buildings and General Services for the Agency of Human Services for the planning and design of the booking expansion at the Northwest State Correctional Facility;~~ [Repealed.]

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

(11) $750,000 is appropriated to the Department of Buildings and General Services for the Judiciary for design, renovations, and land acquisition at the Washington County Superior Courthouse in Barre;

* * *

(16) $4,000,000 is appropriated to the Agency of Natural Resources for the Department of Environmental Conservation for the Municipal Pollution Control Grants for pollution control projects and planning advances for feasibility studies; and

(17) $3,000,000 is appropriated to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for the maintenance facilities at the Gifford Woods State Park and Groton State Forest~~; and~~

~~(18) $800,000 is appropriated to the Agency of Natural Resources for the Department of Fish and Wildlife for infrastructure maintenance and improvements of the Department's buildings, including conservation camps~~.

(b) In fiscal year 2024, ~~$31,025,000~~ $30,025,000 is appropriated from the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments for the following projects. This funding is provided by the General Fund transfer in Sec. D.101 of this act.

* * *

(3) ~~$7,500,000~~ $6,500,000 is appropriated to the Vermont State Colleges for construction, renovation, and major maintenance at any facility owned or operated in the State by the Vermont State Colleges; infrastructure transformation planning; and the planning, design, and construction of Green Hall and Vail Hall; and

* * *

Sec. C.115 2023 Acts and Resolves No. 78, Sec. E.301.1 is amended to read:

Sec. E.301.1 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER; REPORT

(a) To facilitate the end-of-year closeout for fiscal year 2024, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency of Human Services shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint Fiscal Committee for review at the Committee's September 2024 meeting. The purpose of this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment to Health Section 1115 demonstration approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) To address the disruption to cash flows caused by the Change Healthcare cybersecurity incident, pursuant to 32 V.S.A. § 308b(a), funds shall be unreserved from the Human Services Caseload Reserve for appropriation to Sec. B.301 Secretary's Office Global Commitment for net-neutral transfers made under the authority granted to the Secretary of Administration in subsection (a) of this section. Once the cash flows are restored, the Commissioner of Finance and Management shall reserve in the Human Services Caseload Reserve the amount previously unreserved as part of the fiscal year 2025 budget adjustment.

Sec. C.116 2023 Acts and Resolves No. 78, Sec. B.1101 is amended to read:

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

(a) Education workforce.

* * *

(2) In fiscal year 2024, the amount of $2,500,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation for the Vermont Teacher Forgivable Loan Incentive Program to provide forgivable loans to students enrolled in an eligible school who meet the eligibility requirements in subdivision (A) of this subsection. The goal of the program is to encourage students to enter into teaching professions, with an emphasis on

encouraging Black, Indigenous, and Persons of Color, New Americans, and other historically underrepresented communities.

* * *

(E) Forgivable loans shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

* * *

Sec. C.117 2023 Acts and Resolves No. 78, Sec. C.112 is amended to read:

Sec. C.112 FUNDING OF POLYCHLORINATED BIPHENYLS (PCB) REMEDIATION AND REMOVAL IN SCHOOLS

(a) Education Fund; PCB appropriations. Notwithstanding 2022 Acts and Resolves No. 178, Sec. 2(b):

* * *

(b) Agency of Education; PCB remediation and removal reimbursement. Notwithstanding 16 V.S.A. § 4025(d), $29,500,000 and the unexpended funds identified under subdivision (a)(2) of this section shall be appropriated from the Education Fund to the Agency of Education in fiscal year 2024 for the following purposes:

(1) Grants to schools in the State that are required to conduct investigation, remediation, or removal of PCB contamination in the school after Agency of Natural Resources testing but have not received a grant from the Agency of Education for the costs of investigation, environmental assessment, planning, management, remediation, or removal. The grants shall be in an amount sufficient to pay for 100 percent of the school's investigation, remediation, environmental assessment, planning, management, or removal costs required by the Agency of Natural Resources Investigation and Remediation of Contaminated Properties Rule, including the costs incurred, when necessary, under State or federal law to relocate students to a facility during remediation or removal activities.

(2) Grants to schools in the State that conducted investigation, environmental assessment, planning, management, remediation, or removal of PCBs in the school after Agency of Natural Resources testing and received a grant for 80 percent of the costs of investigation, remediation, environmental assessment, planning, management, or removal from the Agency of Education. The grants under this subdivision (2) shall be in an amount that will reimburse the school for any remediation or removal costs not paid by the Agency of Natural Resources.

(3) A grant to the Burlington School District to reimburse the school district for the actual cost ~~of~~ associated with the management, demolition, and removal of PCB contamination at Burlington High School, including ancillary costs related to environmental assessments and planning, not to exceed $16,000,000.

Sec. C.118 2023 Acts and Resolves No. 78, Sec. D.101, as amended by 2024 Acts and Resolves No. 87, Sec. 55 is further amended to read:

Sec. D.101 FUND TRANSFERS, REVERSIONS, AND RESERVES

(a) Notwithstanding any other provision of law to the contrary, the following amounts shall be transferred from the funds indicated:

* * *

(c)(1)(A) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amount shall revert to the General Fund from the general funds appropriated in Sec. B.301 of this act for the Global Commitment Program:

* * *

(4) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the Education Fund from the accounts indicated:

5100010000	Administration	$1,280,710.79
5100110000	Small School Grant	$391,067.00
5100200000	Education – Technical Education	$1,204,216.38
5100892310	Education – Universal Meals ~~$6,823,849.84~~	$9,423,849.84

* * *

Sec. C.119 2023 Acts and Resolves No. 78, Sec. B.1100, as amended by 2024 Acts and Resolves No. 87, Sec. 40, is further amended to read:

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

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

* * *

(5) ~~$6,250,000~~ $6,265,000 General Fund for local economic damage grants to municipalities that were impacted by the July 2023 flooding event in counties that are eligible for Federal Emergency Management Agency (FEMA) Public Assistance funds under federal disaster declaration

DR-4720-VT. It is the intent of the General Assembly that these local economic damage grants be distributed to municipalities throughout the state to address the secondary economic impacts of the July 2023 flooding event. Monies from these grants shall not be expended on FEMA-related projects.

* * *

(B) ~~$3,000,000~~ $3,015,000 of the funds appropriated in this subdivision (a)(5) for local economic damage grants shall be distributed as follows:

* * *

Sec. C.120 DEPARTMENT FOR CHILDREN AND FAMILIES; FAMILY SERVICES; UNUSED FUNDS

(a) Any unused General Fund dollars designated for the purposes described in 2023 Acts and Resolves No. 78, Sec. B.317, shall revert to the General Fund and be reappropriated to the Department for Children and Families as follows:

(1) an amount not to exceed $270,234 for grants to post-permanency adoption services;

(2) $141,000 for grants to recovery residences in the State;

(3) $125,000 for grants to youth service bureaus in Vermont; and

(4) $180,250 for grants to programs supporting homeless youth in Vermont.

* * * Fiscal Year 2025 Fund Transfers and Reserve Allocations * * *

Sec. D.100 ALLOCATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts allocated to special funds that receive revenue from the property transfer tax. These allocations shall not exceed available revenues.

(1) The sum of $575,662 is allocated from the Current Use Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts in excess of $575,662 from the property transfer tax deposited into the Current Use Administration Special Fund shall be transferred into the General Fund.

(2) Notwithstanding 10 V.S.A. § 312, amounts in excess of $22,106,740 from the property transfer tax and surcharge established by 32 V.S.A. § 9602a deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(A) The dedication of $2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond pursuant to 10 V.S.A. § 314 shall be offset by the reduction of $1,500,000 in the appropriation to the Vermont Housing and Conservation Board and $1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2025 appropriation of $22,106,740 to the Vermont Housing and Conservation Board reflects the $1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the $1,500,000 reduction in the appropriation to the Vermont Housing and Conservation Board shall be restored.

(3) Notwithstanding 24 V.S.A. § 4306(a), amounts in excess of $7,772,373 from the property transfer tax deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The $7,772,373 shall be allocated as follows:

(A) $6,404,540 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) $931,773 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b); and

(C) $436,060 to the Agency of Digital Services for the Vermont Center for Geographic Information.

Sec. D.101 FUND TRANSFERS

(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(1) From the General Fund to the:

(A) General Obligation Bonds Debt Service Fund (#35100): $73,212,880.

(B) Capital Infrastructure Subaccount in the Cash Fund for Capital and Essential Investments Fund (#21952): $6,688,747.63.

(C) Tax Computer System Modernization Fund (#21909): $1,800,000.

(D) Fire Prevention/Building Inspection Special Fund (#21901): $1,400,000.

(E) Enhanced 9-1-1 Board Fund (#21711): $1,300,000.

(F) Unsafe Dam Revolving Loan Fund (#21960): $1,000,000.

(G) Military – Sale of Burlington Armory & Other (#21661): $890,000.

(H) Act 250 Permit Fund (#21260): $600,000.

(I) Criminal History Records Check Fund (#21130): $107,277.

(J) Emergency Relief and Assistance Fund (#21555): $830,000.

(2) From the Transportation Fund to the:

(A) Vermont Recreational Trails Fund (#21455): $370,000.

(B) Downtown Transportation and Related Capital Improvements Fund (#21575): $523,966.

(C) General Obligation Bonds Debt Service Fund (#35100): $316,745.

(D) Notwithstanding 19 V.S.A. § 13(c), the Transportation Fund transfer to the Central Garage fund in fiscal year 2025 shall be $0.

(3) From the Education Fund to the:

(A) Tax Computer System Modernization Fund (#21909): $1,400,000.

(4) From the Clean Water Fund to the:

(A) Agricultural Water Quality Special Fund (#21933): $9,010,000.

(B) Lake in Crisis Response Program Special Fund (#21938): $120,000.

(5) From the Other Infrastructure, Essential Investments and Reserves Subaccount in the Cash for Capital and Essential Investments Fund to the:

(A) Transportation Fund (#20105): $25,000,000.

(B) General Fund: $5,000,000.

(6) From the Tax-Local Option Process Fees Fund (#21591), notwithstanding 24 V.S.A. § 138(c)(1), to the:

(A) Tax Computer System Modernization Fund (#21909): $2,000,000.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2025:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

(A) Cannabis Regulation Fund (#21998): $12,000,000.

(B) AHS Central Office Earned Federal Receipts (#22005): $4,641,960.

(C) Sports Wagering Enterprise Fund (#50250): $7,000,000.

(D) Liquor Control Fund (#50300): $21,100,000.

(E) Tobacco Litigation Settlement Fund (#21370): $3,000,000.

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

(A) AG-Fees & Reimbursements-Court Order Fund (#21638): $2,000,000.

(B) Unclaimed Property Fund (#62100): $6,500,000.

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, $68,035,000 of the net unencumbered fund balances in the Insurance Regulatory and Supervision Fund (#21075), the Captive Insurance Regulatory and Supervision Fund (#21085), the Financial Institutions Supervision Fund (#21065), and the Securities Regulatory and Supervision Fund (#21080) shall be transferred to the General Fund.

(c)(1) Notwithstanding Sec. 1.4.3 of the Rules for State Matching Funds under the Federal Public Assistance Program, in fiscal year 2025, the Secretary of Administration may provide funding from the Emergency Relief and Assistance Fund that was transferred pursuant to subdivision (a)(1)(J) of this section to subgrantees prior to the completion of a project. In fiscal year 2025, up to 70 percent of the State funding match on the nonfederal share of an approved project for municipalities that were impacted by the August and December 2023 flooding events in counties that are eligible for Federal Emergency Management Agency Public Assistance funds under federal disaster declarations DR-4744-VT and DR-4695-VT may be advanced at the request of a municipality.

(2) Notwithstanding Sec. 1.4.1 of the Rules for State Matching Funds Under the Federal Public Assistance Program, the Secretary of Administration shall increase the standard State funding match on the nonfederal share of an approved project to the highest percentage possible given available funding for municipalities in counties that were impacted by the August and December 2023 flooding events and are eligible for Federal Emergency Management

Agency Public Assistance funds under federal disaster declarations DR-4744-VT and DR-4695-VT.

Sec. D.102 REVERSIONS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2025, the following amounts shall revert to the General Fund from the accounts indicated:

1210002000	Legislature	$211,576.00
1215001000	Legislative Counsel	$301,089.00
1220000000	Joint Fiscal Committee/Office	$301,010.46
1220890501	Budget System/Transfer to Tax Dept	$39.54
1220891802	Decarbonization Mech Study	$39.00
3150892104	MH – Case Management Serv	$350,000.00
1100892201	Agency of Administration – 27/53 Reserve	$8,064,362.69
1100892302	Agency of Administration – Trans. Retirement	$3,935,637.31

(b) Notwithstanding any provision of law to the contrary, in fiscal year 2024, the following amounts shall revert to the American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund from the accounts indicated:

3440892306	DCF – OEO – Home Weatherization Assistance	$5,000,000.00

Sec. D.103 RESERVES

(a) Notwithstanding any provisions of law to the contrary, in fiscal year 2025, the following reserve transactions shall be implemented for the funds provided:

(1) General Fund.

(A) Pursuant to 32 V.S.A. § 308, an estimated amount of $15,195,225 shall be added to the General Fund Budget Stabilization Reserve.

(B) $5,480,000 shall be added to the 27/53 reserve in fiscal year 2025. This action is the fiscal year 2025 contribution to the reserve for the 53rd week of Medicaid as required by 32 V.S.A. § 308e and the 27th payroll reserve as required by 32 V.S.A. § 308e.

(C) Notwithstanding 32 V.S.A. § 308b, $3,913,200 shall be unreserved from the Human Services Caseload Reserve established within the General Fund in 32 V.S.A. § 308b.

(2) Other Infrastructure, Essential Investments and Reserves Subaccount in the Cash for Capital and Essential Investments Fund.

(A) $25,000,000 is unreserved to be used by the Agency of Transportation in accordance with the provisions for which the funds were originally reserved in 2023 Acts and Resolves No. 78, Sec. C.108(a).

(B) $5,000,000 of the $14,500,000 reserved in 2023 Acts and Resolves No. 78, Sec. C.108(b) is unreserved.

(3) Transportation Fund.

(A) For the purpose of calculating the fiscal year 2025 Transportation Fund stabilization requirement of five percent of prior year appropriations, Transportation Fund reversions are excluded from the fiscal year 2024 total appropriations amount.

Sec D.104 FISCAL YEARS 2025 AND 2026 STATE EMPLOYEE CONTRACT FUNDING

(a) As part of the fiscal year appropriations and revenue decisions, this act reserves sufficient monies to fully fund the Vermont State Employees' Association contract obligations and related appropriations. It is the intention that specific appropriations and statutory language, along with any applicable adjustments, once developed, will be incorporated in a specific pay act bill or, if necessary, be added to this act.

(b) In order to fund the estimated $58,948,151 fiscal year 2025 total contract cost, $25,813,043 in federal funds and special funds or excess receipt authority will be combined with the following amounts reserved for appropriation:

(1) General Fund: $30,635,108.

(2) Transportation Fund: $2,500,000.

(c) In order to fund the estimated $58,838,492 fiscal year 2026, total contract cost, $28,048,654 in federal funds and special funds appropriation or excess receipt authority will be combined with the following amounts to be appropriated in fiscal year 2026:

(1) General Fund: $27,789,838.

(2) Transportation Fund: $3,000,000.

* * * General Government * * *

Sec. E.100 POSITIONS

(a) The establishment of 33 permanent positions is authorized in fiscal year 2025 for the following:

(1) Permanent classified positions:

(A) Department of Public Safety:

(i) one Criminal History Record Specialist I; and

(ii) three Regional Emergency Management Program Coordinators.

(B) Department of Forests, Parks and Recreation:

(i) four Field Park Manager IVs.

(C) Office of the Treasurer:

(i) one Internal Auditor.

(D) Office of the Secretary of State:

(i) one Administrative Services Coordinator IV; and

(ii) one Information Technology Specialist III.

(E) Department of Environmental Conservation:

(i) ten Environmental Analysts;

(ii) two Environmental Engineers;

(iii) two Environmental Technicians; and

(iv) one Administrative Services Coordinator.

(F) Agency of Education:

(i) one CTE Education Programs Coordinator.

(G) Department of Corrections:

(i) five Probation and Parole Officers.

(2) Permanent exempt positions:

(A) Agency of Administration – Secretary's Office:

(i) one Chief Performance Officer.

(B) Judiciary:

(i) three Superior Court Judges.

(C) Department of State's Attorneys and Sheriffs:

(i) one SIU Director.

(b) The conversion of 14 limited service positions to classified permanent status is authorized in fiscal year 2025 as follows:

(1) Department of Environmental Conservation:

(A) one Environmental Engineer V;

(B) one Environmental Engineer III; and

(C) one Environmental Scientist IV.

(2) Department of Labor:

(A) one Re-Employment Services and Eligibility Assessment Program Program Coordinator; and

(B) nine Re-Employment Services and Eligibility Assessment Program Facilitators.

(3) Agency of Education:

(A) one Education Project Manager.

(c) The establishment of 35 exempt limited service positions is authorized in fiscal year 2025 as follows:

(1) Judiciary:

(A) ten Judicial Assistants;

(B) two IT Help Desk Analysts;

(C) two Centralized Service Analysts;

(D) one Database Administrator; and

(E) 11 Judicial Officer II's.

(1) Department of State's Attorneys and Sheriffs:

(A) three Deputy State's Attorneys;

(B) three Victim Advocates; and

(C) three Administrative Secretaries.

Sec. E.100.1 3 V.S.A. § 2310 is added to read:

§ 2310. CHIEF PERFORMANCE OFFICER

(a) There is created the permanent, exempt position of Chief Performance Officer within the Agency of Administration for the purpose of better developing a culture of performance accountability and continuous improvement across State government. The Chief Performance Officer shall:

(1) provide advice, recommendations, and consultation to the Executive and Legislative branches of State government about performance improvement and management;

(2) lead the creation and implementation of a performance improvement and management strategy for State government to ensure effective and efficient government operations;

(3) assist agencies and departments as necessary in developing, monitoring, managing, and improving performance measures as well as developing strategies that maximize results and return on investment;

(4) develop and offer trainings, professional development opportunities, and resources for agencies and departments regarding performance improvement and management; and

(5) provide consultation on the design and implementation of systems that use data and metrics to measure and report performance.

Sec. E.106 CORONAVIRUS STATE FISCAL RECOVERY FUND APPROPRIATIONS; REVERSION AND REALLOCATION

(a) The Agency of Administration shall structure any existing American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund program in accordance with the requirements of 31 C.F.R. Part 35 and in a manner designed to achieve the intent of the General Assembly and may reallocate unspent funds across governmental units in an overall net-neutral manner.

(b) The Commissioner of Finance and Management is authorized to revert all unobligated American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund monies prior to December 31, 2024. The total amount of American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund monies reverted in accordance with this subsection shall be allocated pursuant to 32 V.S.A. § 511 to the following purposes in the following order:

(1) $36,000,000 to the Department of Public Safety Division of Emergency Management for Federal Emergency Management Agency match or municipal support for hazard mitigation. Any unused funds shall be deposited in the Community Resilience and Disaster Mitigation Fund.

(2) $4,000,000 to the Agency of Administration for Administration costs, including for anticipated audit response per 2021 Acts and Resolves No. 74, Sec. G.801(a) and 2022 Acts and Resolves No. 185, Sec. G.801(A).

(3) $30,000,000 to the Vermont Housing and Conservation Board to provide support and enhance capacity for the production and preservation of affordable mixed-income rental housing homeownership units, including improvements to manufactured homes and communities, permanent homes and

emergency shelter for those experiencing homelessness, recovery residences, and housing available to farm workers, refugees, and individuals who are eligible to receive Medicaid-funded home and community based services.

(4) $25,000,000 to the Department of Housing and Community Development for a grant to the Vermont Housing Finance Agency for the Middle-Income Homeownership Development Program, the First Generation Homebuyer Program, and the Vermont Rental Revolving Loan Fund. Up to $1,000,000 of these funds may be for the First Generation Homebuyer Program.

(5) Any remaining funds shall be reallocated, with the express authorization of the Joint Fiscal Committee, to existing American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund programs established by the General Assembly.

(c) If previously obligated American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund monies become unobligated after December 31, 2024, the Commissioner of Finance and Management may, with the approval of the Joint Fiscal Committee, revert the unobligated American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund monies and allocate the monies for expenditure pursuant to 32 V.S.A. § 511 to any existing American Rescue Plan Act – Coronavirus State Fiscal Recovery programs in accordance with the requirements of 31 C.F.R. Part 35.

Sec. E.125 OFFICE OF LEGISLATIVE COUNSEL; NEW POSITIONS

(a) The abolishment of two session-only Law Clerk positions and the establishment of one new permanent exempt Law Clerk position and two new permanent exempt Legislative Counsel positions in the Office of Legislative Counsel is authorized in fiscal year 2025.

Sec. E.125.1 2 V.S.A. § 403 is amended to read:

§ 403. FUNCTIONS; CONFIDENTIALITY

* * *

(b)(1)(A) All requests for legal assistance, information, and advice from the Office of Legislative Counsel; all information received in connection with research or drafting; and all confidential materials provided to or generated by the Office shall remain confidential unless the party requesting or providing the information or material designates that it is not confidential.

(B) Any draft of a report or other work in progress generated by or submitted to the Office of Legislative Counsel shall remain confidential until it has been finalized.

* * *

Sec. E.126. 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 OFFICE OF LEGISLATIVE INFORMATION TECHNOLOGY; NEW POSITION

(a) The establishment of one new permanent exempt Audio Visual Specialist position in the Office of Legislative Information Technology is authorized in fiscal year 2025.

Sec. E.126.2 2 V.S.A. § 703 is amended to read:

§ 703. FUNCTIONS; CONFIDENTIALITY

(a) The Office of Legislative Information Technology shall:

* * *

(b) Any draft of a report or other work in progress generated by or submitted to the Office of Legislative Information Technology shall remain confidential until it has been finalized.

Sec. E.126.3 LEGISLATURE; STATE HOUSE RENOVATION APPROVAL

(a) The Speaker of the House, President Pro Tempore of the Senate, Chair the House Committee on Appropriations, and the Chair of the Senate Committee on Appropriations shall have the authority to approve the use of legislative budget carryforward funds to cover the cost of room renovations to increase public space within the State House.

Sec. E.127 JOINT FISCAL OFFICE; POSITION

(a) The establishment of one new permanent exempt analyst position in the Joint Fiscal Office is authorized in fiscal year 2025.

Sec. E.127.1 2 V.S.A. § 523 is amended to read:

§ 523. FUNCTIONS; CONFIDENTIALITY

* * *

(b)(1)(A) All requests for assistance, information, and advice from the Joint Fiscal Office, all information received in connection with fiscal research or related drafting, and all confidential materials provided to or generated by the Joint Fiscal Office shall remain confidential unless the party requesting or providing the information designates that it is not confidential.

(B) Any draft of a report or other work in progress generated by or submitted to the Joint Fiscal Office shall remain confidential until it has been finalized.

* * *

Sec. E.127.2 FISCAL YEAR 2025 FEE REPORT; PROTECTION TO PERSONS AND PROPERTY

(a) Fiscal year 2025 fee information. The Judiciary, agencies, departments, boards, and offices that receive appropriations in Secs. B.200 through B.299 of this act shall, in collaboration with the Joint Fiscal Office, prepare a comprehensive fee report for each fee that is in effect in fiscal year 2025. The fee report shall contain the following information for each fee:

(1) the statutory authorization and termination date, if any;

(2) the current rate or amount of the fee and the date the fee was last set or adjusted by the General Assembly or Joint Fiscal Committee;

(3) the Fund into which the fee revenues are deposited;

(4) the amount of revenue derived from the fee in each of the five fiscal years preceding fiscal year 2025;

(5) the number of times that the fee was paid in each of the two fiscal years preceding fiscal year 2025;

(6) a projection of the fee revenues in fiscal years 2025 and 2026;

(7) a description of the service or product provided or the regulatory function performed by the Judiciary, agency, department, board or office supported by the fee;

(8) the amount of the fee if adjusted for inflation from the last time the fee amount was modified;

(9) if any portion of the fee revenue is deposited into a special fund, the percentage of the special fund's revenues that the fee represents;

(10) any available information regarding comparable fees in other jurisdictions;

(11) any polices or trends that might affect the viability of the fee amount; and

(12) any other relevant considerations for setting the fee amount.

(b) Reports.

(1) On or before October 15, 2024, the Judiciary, agencies, departments, boards, and offices described in subsection (a) of this section shall submit a prepared draft report of the information required in subdivisions (a)(1)–(12) of this section to the Joint Fiscal Office for review. The Judiciary, agencies, departments, boards, and offices shall work with the Joint Fiscal Office to finalize the report before submitting the final report described in subdivision (2) of this subsection.

(2) On or before December 15, 2024, the Judiciary, agencies, departments, boards, and offices described in subsection (a) shall submit a final report to the House Committees on Appropriations and on Ways and Means and the Senate Committees on Appropriations and on Finance.

(3) If any of the information requested in this section cannot be provided for any reason, the Judiciary, agencies, departments, boards, and offices described in subsection (a) shall include in both the draft and final reports a written explanation for why the information cannot be provided.

(c) As used in this section, "fee" means any source of State revenue classified by the Department of Finance and Management Accounting System as "fees," "business licenses," "nonbusiness licenses," and "fines and penalties."

(d) Fee report moratorium. Notwithstanding 32 V.S.A. § 605, in fiscal year 2025, the Governor shall not be required to submit the consolidated Executive Branch fee annual report and request to the General Assembly.

Sec. E.132 33 V.S.A. § 8003 is amended to read:

§ 8003. PROGRAM LIMITATIONS

(a) Cash contributions. The Treasurer or designee shall not accept a contribution:

(1) unless it is in cash; or

(2) except in the case of a contribution under 26 U.S.C. § 529A(c)(1)(C) (relating to a change in a designated beneficiary or program), if such contribution to an ABLE account would result in aggregate contributions from all contributors to the ABLE account for the taxable year exceeding the amount in effect under 26 U.S.C. § 2503(b) for the calendar year in which the taxable year begins.

(b) Separate accounting. The Treasurer or designee shall provide separate accounting for each designated beneficiary.

(c) Limited investment direction. A designated beneficiary may, directly or indirectly, direct the investment of any contributions to the Vermont ABLE Savings Program, or any earnings thereon, ~~no~~ not more than two times in any calendar year.

(d) No pledging of interest as security. A person shall not use an interest in the Vermont ABLE Savings Program, or any portion thereof, as security for a loan.

(e) Prohibition on excess contributions. The Treasurer or designee shall adopt adequate safeguards under the Vermont ABLE Savings Program to prevent aggregate contributions on behalf of a designated beneficiary in excess of the limit established by the State pursuant to 26 U.S.C. § 529(b)(6).

(f) Adjustment or recovery. Neither the State nor any agency or instrumentality of the State shall seek adjustment or recovery against an ABLE account for the costs of benefits provided to a designated beneficiary.

(g) Abandoned accounts. Any abandoned ABLE accounts shall be subject to the unclaimed property provisions in 27 V.S.A. chapter 18.

Sec. E.132.1 27 V.S.A. § 1452 is amended to read:

§ 1452. DEFINITIONS

As used in this chapter:

* * *

(24) "Property" means tangible property described in section 1465 of this title or a fixed and certain interest in intangible property held, issued, or owed in the course of a holder's business or by a government, governmental subdivision, agency, or instrumentality. The term:

* * *

(C) does not include:

(i) ~~property held in a plan described in 26 U.S.C. § 529A, as may be amended;~~ [Repealed.]

(ii) game-related digital content;

(iii) a loyalty card; or

(iv) a gift card.

* * *

Sec. E.133 VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM AND VERMONT PENSION INVESTMENT COMMISSION; OPERATING BUDGET, SOURCE OF FUNDS

(a) Of the $3,063,180 appropriated in Sec. B.133 of this act, $2,047,989 constitutes the Vermont State Employees' Retirement System operating budget, and $1,015,191 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont State Employees' Retirement System.

Sec. E.134 VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AND VERMONT PENSION INVESTMENT COMMISSION; OPERATING BUDGET; SOURCE OF FUNDS

(a) Of the $1,737,125 appropriated in Sec. B.134 of this act, $1,359,845 constitutes the Vermont Municipal Employees' Retirement System operating budget, and $377,280 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont Municipal Employees' Retirement System.

Sec. E.134.1 VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM; FISCAL YEARS 2027-2030; RATES

(a) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period of July 1, 2026 through June 30, 2027, contributions shall be made by:

(1) Group A members at the rate of 4.5 percent of earnable compensation;

(2) Group B members at the rate of 6.875 percent of earnable compensation;

(3) Group C members at the rate of 12.0 percent of earnable compensation; and

(4) Group D members at the rate of 13.35 percent of earnable compensation.

(b) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period July 1, 2027 through June 30, 2028, contributions shall be made by:

(1) Group A members at the rate of 4.75 percent of earnable compensation;

(2) Group B members at the rate of 7.125 percent of earnable compensation;

(3) Group C members at the rate of 12.25 percent of earnable compensation; and

(4) Group D members at the rate of 13.6 percent of earnable compensation.

(c) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period July 1, 2028 through June 30, 2029, contributions shall be made by:

(1) Group A members at the rate of 5.0 percent of earnable compensation;

(2) Group B members at the rate of 7.375 percent of earnable compensation;

(3) Group C members at the rate of 12.5 percent of earnable compensation; and

(4) Group D members at the rate of 13.85 percent of earnable compensation.

(d) Notwithstanding the provisions of 24 V.S.A. § 5064(b), for the period July 1, 2029 through June 30, 2030, contributions shall be made by:

(1) Group A members at the rate of 5.25 percent of earnable compensation;

(2) Group B members at the rate of 7.625 percent of earnable compensation;

(3) Group C members at the rate of 12.75 percent of earnable compensation; and

(4) Group D members at the rate of 14.1 percent of earnable compensation.

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

(a) Of the appropriation in Sec. B.139 of this act, $9,000 shall be transferred to the Attorney General and $70,000 shall be transferred to the Department of Taxes' Division of Property Valuation and Review and reserved and used with any remaining funds from the amount previously transferred for final payment of expenses incurred by the Department or towns in defense of grand list appeals regarding the reappraisals of the hydroelectric plants and other expenses incurred to undertake utility property appraisals in Vermont.

Sec. E.142 PAYMENTS IN LIEU OF TAXES

(a) This appropriation is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in addition to and without regard to the appropriations for PILOT for Montpelier and for correctional facilities elsewhere in this act. Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.143 PAYMENTS IN LIEU OF TAXES; MONTPELIER

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.144 PAYMENTS IN LIEU OF TAXES; CORRECTIONAL FACILITIES

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.200 ATTORNEY GENERAL

(a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain, subject to appropriation, one-half of the State share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the State share of restitution to the Medicaid Program. All such designated additional recoveries retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), $1,749,700 is appropriated in Sec. B.200 of this act.

Sec. E.204 JUDICIARY; SUPERIOR COURT JUDGE POSITIONS

(a) Of the three Superior Court Judge positions established in Sec. E.100(a)(2)(B)(i) of this act, one shall be funded with the Tobacco Litigation Settlement Fund dollars appropriated to the Judiciary in 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106(a).

Sec. E.204.1 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106, is amended to read:

Sec. C.106 CHINS CASES SYSTEM-WIDE REFORM

(a) The sum of ~~$7,000,000~~ $4,000,000 is appropriated from the Tobacco Litigation Settlement Fund to the Judiciary in fiscal year 2018 and shall carry forward for the uses and based on the allocations set forth in subsections (b) and (c) of this section. The purpose of the funds is to make strategic investments to transform the adjudication of CHINS cases in Vermont.

(b) The sum appropriated from the Tobacco Litigation Settlement Fund in subsection (a) of this section shall be allocated as follows:

(1) $1,250,000 for fiscal year 2019, which shall not be distributed until the group defined in subsection (c) of this section provides proposed expenditures as part of its fiscal year 2019 budget adjustment request;

(2) ~~$2,500,000~~ $1,750,000 for fiscal year 2020, for which the group shall provide proposed expenditures as part of its fiscal year 2020 budget request or budget adjustment request, or both;

(3) ~~$2,500,000~~ $250,000 for fiscal year 2021, for which the group shall provide proposed expenditures as part of its fiscal year 2021 budget request or budget adjustment request, or both; and

(4) $750,000 in fiscal year 2022 or after as needed.

* * *

Sec. E.208 PUBLIC SAFETY; ADMINISTRATION

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

Sec. E.208.1 DEPARTMENT OF PUBLIC SAFETY; EMBEDDED MENTAL HEALTH WORKERS; REPORT

(a) In 2025, the Department of Public Safety shall present the House Committee on Health Care and the Senate committees on Health and Welfare and on Judiciary with measurable outcomes on the results of the Department's embedded mental health worker program to date, by barrack, and on the Department's collaboration with the Department of Mental Health to achieve a coordinated and integrated system of care, including how this program works with 988, with the statewide Mobile Crisis Response program, and with the designated and specialized service agencies.

Sec. E.209 PUBLIC SAFETY; STATE POLICE

(a) Of the General Fund appropriation in Sec. B.209 of this act, $35,000 shall be available to the Southern Vermont Wilderness Search and Rescue Team, which comprises State Police, the Department of Fish and Wildlife, county sheriffs, and local law enforcement personnel in Bennington, Windham, and Windsor Counties, for snowmobile enforcement.

(b) Of the General Fund appropriation in Sec. B.209 of this act, $405,000 is allocated for grants in support of the Drug Task Force. Of this amount, $190,000 shall be used by the Vermont Drug Task Force to fund three town task force officers. These town task force officers shall be dedicated to enforcement efforts with respect to both regulated drugs as defined in 18 V.S.A. § 4201(29) and the diversion of legal prescription drugs. Any unobligated funds may be allocated by the Commissioner to fund the work of the Drug Task Force or carried forward.

Sec. E.212 PUBLIC SAFETY; FIRE SAFETY

(a) Of the General Fund appropriation in Sec. B.212 of this act, $55,000 shall be granted to the Vermont Rural Fire Protection Task Force for the purpose of designing dry hydrants.

Sec. E.215 MILITARY; ADMINISTRATION

(a) Of the funds appropriated in Sec. B.215 of this act, $1,319,834 shall be granted to the Vermont Student Assistance Corporation for the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

Sec. E.219 MILITARY; VETERANS' AFFAIRS

(a) Of the funds appropriated in Sec. B.219 of this act, $1,000 shall be used for continuation of the Vermont Medal Program, $2,000 shall be used for the expenses of the Governor's Veterans' Advisory Council, $7,500 shall be used for the Veterans' Day parade, and $10,000 shall be granted to the American Legion for the Boys' State and Girls' State programs.

Sec. E.232 SECRETARY OF STATE; VERMONT ACCESS NETWORK BUDGET

(a) The Office of the Secretary of State shall request that Vermont Access Network submit a proposed operating budget required to maintain its current level of operation and programming. The Office of the Secretary of State shall include the proposed operating budget as part of its fiscal year 2026 budget presentation.

Sec. E.300 FUNDING FOR THE OFFICE OF THE HEALTH CARE ADVOCATE, VERMONT LEGAL AID

(a) Of the funds appropriated in Sec. B.300 of this act:

(1) $2,000,406 shall be used for the contract with the Office of the Health Care Advocate;

(2) $1,717,994 for Vermont Legal Aid services, including the Poverty Law Project and mental health services; and

(3) $650,000 is for the purposes of maintaining current Vermont Legal Aid program capacity and addressing increased requests for services, including eviction prevention and protection from foreclosure and consumer debt.

Sec. E.300.1 18 V.S.A. § 8915 is added to read:

§ 8915. PROVISION FOR AGREEMENTS WITH CASE MANAGEMENT ENTITIES

(a) Notwithstanding any provision of law to the contrary, the Commissioner of Disabilities, Aging, and Independent Living may enter into agreements with case management entities to support local communities. The Commissioner may develop rules setting forth the standards and procedures for the case management entities it contracts with.

Sec. E.300.2 2022 Acts and Resolves No. 83, Sec. 72a, as amended by 2022 Acts and Resolves No. 185, Sec. C.105and 2023 Acts and Resolves No. 78, Sec. E.301.2, is further amended to read:

Sec. 72a. MEDICAID HOME- AND COMMUNITY-BASED SERVICES (HCBS) PLAN

* * *

(f) The Global Commitment Fund appropriated in subsection (e) of this section obligated in fiscal ~~year~~ years 2023 ~~and fiscal year,~~ 2024, and 2025 for the purposes of bringing HCBS plan spending authority forward into fiscal year 2024 and fiscal year 2025, respectively. The funds appropriated in subsections (b), (c), and (e) of this section may be transferred on a net-neutral basis in fiscal ~~year~~ years 2023 ~~and fiscal year,~~ 2024, and 2025 in the same manner as the Global Commitment appropriations in 2022 Acts and Resolves No. 185, Sec. E.301. The Agency shall report to the Joint Fiscal Committee in September 2023 ~~and~~, September 2024, and September 2025, respectively, on transfers of appropriations made and final amounts expended by each department in fiscal ~~year~~ years 2023 ~~and fiscal year,~~ 2024, and 2025, respectively, and any obligated funds carried forward to be expended in fiscal year 2024 and fiscal year 2025, respectively.

Sec. E.300.3 AGENCY OF HUMAN SERVICES; FISCAL YEAR 2024 CLOSEOUT CONTINGENT APPROPRIATION; COMPREHENSIVE CHILD WELFARE INFORMATION SYSTEM

(a) Notwithstanding 2024 Acts and Resolves No. 87, Sec. 103(a), to the extent to which General Fund dollars appropriated to the Agency of Human Services in 2023 Acts and Resolves No. 78, Secs. B.300 through B.341 remain unobligated and unexpended at the end of fiscal year 2024, up to $3,000,000 shall revert to the General Fund. A one-time General Fund appropriation in an amount equivalent to the reversion shall be made to the Department for Children and Families' Family Services Division for the Comprehensive Child Welfare Information System in fiscal year 2025.

Sec. E.300.4 [Deleted.]

Sec. E.301 SECRETARY'S OFFICE; GLOBAL COMMITMENT

(a) The Agency of Human Services shall use the funds appropriated in Sec. B.301 of this act for payment required under the intergovernmental agreement between the Agency of Human Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) In addition to the State funds appropriated in Sec. B.301 of this act, a total estimated sum of $24,301,185 is anticipated to be certified as State matching funds under Global Commitment as follows:

(1) $21,295,850 certified State match available from local education agencies for eligible special education school-based Medicaid services under

Global Commitment. This amount, combined with $29,204,150 of federal funds appropriated in Sec. B.301 of this act, equals a total estimated expenditure of $50,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) $3,005,335 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(c) Up to $4,487,210 is transferred from the Agency of Human Services Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 of this act.

Sec. E.301.1 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER; REPORT

(a) To facilitate the end-of-year closeout for fiscal year 2025, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency of Human Services shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be sent to the Joint Fiscal Committee for review at the Committee's September 2025 meeting. The purpose of this section is to provide the Agency of Human Services with limited authority to modify appropriations to comply with the terms and conditions of the Global Commitment for Health Section 1115 demonstration waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.306 DR. DYNASAUR; PREMIUM INVOICING SUSPENSION AND AMNESTY

(a) The Agency of Human Services is authorized under 33 V.S.A. § 1901(c) and Vermont's Global Commitment to Health Section 1115 Medicaid demonstration to charge a monthly premium for certain Dr. Dynasaur enrollees whose family income exceeds 195 percent of the federal poverty level. The Agency suspended premium invoicing for this population as a result of the COVID-19 public health emergency, and that premium suspension has continued following the end of the public health emergency.

(b)(1) The Agency shall not attempt to collect or take adverse action against a Dr. Dynasaur enrollee or the enrollee's family as a result of any unpaid premium balance that was incurred prior to the public health emergency or during the period of the invoicing suspension.

(2) At such time as the Agency reinstates premium invoicing, no Dr. Dynasaur applicant or enrollee shall carry any outstanding premium balance.

Sec. E.306.1 HEALTH INSURANCE MARKETS; TECHNICAL ANALYSIS

(a) The Agency of Human Services shall conduct a technical analysis relating to Vermont's health insurance markets that shall include:

(1) determining the potential advantages and disadvantages to individuals, small businesses, and large businesses of modifying Vermont's current health insurance market structure, including the impacts on health insurance premiums and on Vermonters' access to health care services;

(2) exploring other affordability mechanisms to address the calendar year 2026 expiration of federal enhanced premium tax credits for plans issued through the Vermont Health Benefit Exchange; and

(3) examining the feasibility of creating a public option or other mechanism through which otherwise ineligible individuals or employees of small businesses, or both, could buy into Vermont Medicaid coverage.

(b) On or before January 15, 2025, the Agency of Human Services and the Department of Vermont Health Access shall provide the results of the analysis to the House Committees on Health Care and the Senate Committee on Health and Welfare and on Finance.

Sec. E.306.2 DVHA; RATE ANALYSES REQUEST

(a) To the extent that resources allow, on or before January 15, 2025, the Department of Vermont Health Access shall provide the following analyses to the House Committees on Health Care and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations:

(1) methodologies for comparing Medicaid rates for home health agency services to rates under the Medicare home health prospective payment system model and for comparing Medicaid pediatric palliative care rates to rates under the Medicare home health prospective payment system model or to Medicare hospice rates, or both; and

(2) methodologies for modifying the Medicaid Resource-Based Relative Value Scale professional fee schedule by considering:

(A) maintaining alignment with relative value units used by Medicare but including a minimum on conversion factors;

(B) benchmarking one or more conversion factors in Vermont Medicaid to the Medicare conversion factor from a specific year; and

(C) determining whether Vermont Medicaid should continue to use two separate conversion factors, or transition to a single conversion factor in combination with other methods of providing enhanced support for primary care services.

Sec. E.306.3 PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY; LICENSURE

(a) Notwithstanding any provision of law to the contrary, no funds appropriated to the Department of Vermont Health Access in this act shall be expended for operation of a psychiatric residential treatment facility until the facility has been licensed by the State; provided, however, that the Department may expend funds on goods and services, such as purchasing supplies and hiring and training staff, that are necessary to prepare the facility to be operational upon licensure. Notwithstanding 2023 Acts and Resolves No. 78, Sec. E.511.1, a psychiatric residential treatment facility may be approved as a therapeutic school in accordance with 16 V.S.A. § 166(b) and applicable State Board of Education Rules.

Sec. E.306.4 MEDICARE SAVINGS PROGRAMS; INCOME ELIGIBILITY

(a) The Agency of Human Services shall make the following changes to the Medicare Savings Programs:

(1) increase the Qualified Medicare Beneficiary Program income threshold to 145 percent of the federal poverty level;

(2) eliminate the Specified Low-Income Medicare Beneficiary Program; and

(3) increase the Qualifying Individual Program income threshold to 190 percent of the federal poverty level.

Sec. E.306.5 MEDICARE SAVINGS PROGRAMS; MEDICAID STATE PLAN AMENDMENT; VPHARM TRANSITION; REPORT

(a) The Agency of Human Services shall request approval from the Centers for Medicare and Medicaid Services to amend Vermont's Medicaid state plan

to expand eligibility for the Medicare Savings Programs as set forth in Sec. E.306.4 of this act.

(b) On or before January 15, 2025, the Agency of Human Services shall provide recommendations to the House Committees on Health Care, on Human Services, and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations regarding the VPharm program to ensure alignment with the Medicare Savings Program eligibility expansion set forth in Sec. E.306.4 of this act, including:

(1) whether the VPharm program should be modified or repealed as a result of the Medicare Savings Program eligibility expansion;

(2) whether the benefits provided by the VPharm program should be delivered through an alternative program design;

(3) the estimated fiscal impacts of implementing any recommended changes; and

(4) when any recommended changes should take effect.

(c) The Agency of Human Services and the Department of Vermont Health Access shall seek input from the Office of the Health Care Advocate and other interested stakeholders in developing the recommendations required by this section.

Sec. E.307 14 V.S.A. § 931 is amended to read:

§ 931. LIMITATIONS ON CLAIMS OF CREDITORS

All claims against the decedent's estate that arose before the death of the decedent, including claims of the State and any subdivision thereof except claims filed by the State on behalf of Vermont Medicaid, absolute or contingent, liquidated or unliquidated, founded on contract, tort, or other legal basis, if not barred earlier by other statute of limitations, are barred against the estate, the legal representative of the estate, and the heirs and devisees of the decedent, unless presented within one year after the decedent's death. Nothing in this section affects or prevents any proceeding to enforce any mortgage, pledge, or other lien upon the property of the estate. Claims filed by the State on behalf of Vermont Medicaid must be filed in accordance with subsection 1203(d) of this title.

Sec. E.307.1 14 V.S.A. § 1203 is amended to read:

§ 1203. LIMITATIONS ON PRESENTATION OF CLAIMS

(a) All claims against a decedent's estate that arose before the death of the decedent, including claims of the State and any subdivision thereof except claims filed by the State on behalf of Vermont Medicaid, whether due or to

become due, absolute or contingent, liquidated or unliquidated, founded on contract, tort, or other legal basis, except claims for the possession of or title to real estate and claims for injury to the person and damage to property suffered by the act or default of the deceased, if not barred earlier by other statute of limitations, are barred against the estate, the executor or administrator, and the heirs and devisees of the decedent, unless presented as follows:

(1) within four months after the date of the first publication of notice to creditors if notice is given in compliance with the Rules of Probate Procedure; provided, however, that claims barred by the nonclaim statute of the decedent's domicile before the first publication for claims in the State are also barred in this State;

(2) within one year after the decedent's death~~,~~ if notice to creditors has not been published or otherwise given as provided by the Rules of Probate Procedure.

* * *

(d) Claims filed by the State on behalf of Vermont Medicaid must be presented within four months after the date of the first publication of notice to creditors if notice is given in compliance with the Rules of Probate Procedure, regardless of the date of the decedent's death or when a decedent's executor or administrator opens the estate.

Sec. E.311.1 18 V.S.A. chapter 1, subchapter 2 is amended to read:

Subchapter 2. Health Care Professions; Educational Assistance

* * *

§ 32. EDUCATIONAL LOAN REPAYMENT FOR HEALTH CARE ~~PROVIDERS~~ PROFESSIONALS AND HEALTH CARE EDUCATIONAL LOAN REPAYMENT FUND

(a) There is hereby established a special fund to be known as the Vermont Health Care Educational Loan Repayment Fund, that shall be used for the purpose of ensuring a stable and adequate supply of health care ~~providers~~ professionals and health care educators to meet the health care needs of Vermonters, with a focus on recruiting and retaining ~~providers~~ professionals and health care educators in underserved geographic and specialty areas.

(b) The fund shall be established and held separate and apart from any other funds or monies of the State and shall be used and administered exclusively for the purpose of this section. The money in the Fund shall be invested in the same manner as permitted for investment of funds belonging to the State of held in the Treasury. The Fund shall consist of the following:

(1) such sums as may be appropriated or transferred from time to time by the General Assembly, the state Emergency Board, or the Joint Fiscal Committee during such times as the General Assembly is not in session;

(2) interest earned from the investment of fund balances;

(3) any other money from any other source accepted for the benefit of the Fund.

(c) The Fund shall be administered by the Department of Health, which shall make funds available to the University of Vermont College of Medicine area health education centers (AHEC) program for loan repayment awards. The Commissioner may require certification of compliance with this section prior to the making of an award.

* * *

(e) AHEC shall make loan repayment awards in exchange for service commitment by health care ~~providers~~ professionals and health care educators and shall define the service obligation in a contract with the health care ~~provider~~ professional or health care educator. Payment awards shall be made directly to the educational loan creditor or lender of the health care ~~provider~~ professional or health care educator.

(f) Loan repayment awards shall only be available for a health care ~~provider~~ professional or health care educator who:

* * *

(i) As used in this section:

* * *

(2) "Health care ~~provider~~ professional" shall mean an individual licensed, certified, or otherwise or authorized by law to provide professional health care ~~service~~ services in this State to an individual during that individual's medical, mental health, or dental care~~,~~; treatment or confinement; or in a public health role.

(j) Loan repayment shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and AHEC in the following fiscal year to award additional loan repayment as set forth in this section.

* * *

§ 33. UNIVERSITY OF VERMONT COLLEGE OF MEDICINE; MEDICAL STUDENT INCENTIVE SCHOLARSHIP

* * *

(f) Forgivable loans shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and the Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

§ 34. VERMONT NURSING FORGIVABLE LOAN INCENTIVE PROGRAM

(a) As used in this section:

* * *

(4) "Forgivable loan" means a loan awarded under this section covering tuition, which may also ~~include~~ cover room, board, and the cost of required books and supplies for up to full-time attendance at an eligible school.

* * *

(d) To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

* * *

(5) have completed the Program's application form~~, the Free Application for Federal Student Aid (FAFSA), and the Vermont grant application each academic year of enrollment~~ and such financial aid forms as the Corporation deems necessary, in accordance with a schedule determined by the Corporation; and

* * *

(j) Forgivable loans shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and the Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

* * *

§ 35. VERMONT HEALTH CARE PROFESSIONAL LOAN REPAYMENT PROGRAM

(a) As used in this section:

* * *

(4) "Loan repayment" means the ~~cancellation and~~ repayment of loans under this section.

* * *

(b) The Vermont Health Care Professional Loan Repayment Program is created and shall be administered by the Department of Health in collaboration with AHEC. The Program provides loan repayment on behalf of individuals who live and work in this State as a nurse, physician assistant, medical lab technician, medical lab technologist, clinical laboratory scientist, child psychiatrist, or primary care provider and who meet the eligibility requirements in subsection (d) of this section.

(c) The loan repayment benefits provided under the Program shall be paid on behalf of the eligible individual by AHEC, subject to the appropriation of funds by the General Assembly for this purpose.

(d) To be eligible for loan repayment under the Program, an individual shall satisfy all of the following requirements:

(1) have graduated from an eligible school where the individual was awarded a degree in nursing, physician assistant studies, medicine, osteopathic medicine, or naturopathic medicine, or a two- or four-year degree that qualifies the individual to be a medical lab technician, medical lab technologist or clinical laboratory scientist;

(2) work in this State as a nurse, physician assistant, medical lab technician, medical lab technologist or clinical laboratory scientist, child psychiatrist, or primary care provider; and

(3) be a resident of Vermont.

(e)(1) An eligible individual shall be entitled to an amount of loan ~~cancellation and~~ repayment under this section ~~equal to one year of loans for each year of service as a nurse, physician assistant, medical technician, child psychiatrist, or primary care provider in this State~~ for a defined service obligation in Vermont of no less than one year. Employment as a traveling nurse shall not be construed to satisfy the service commitment required ~~for loan repayment~~ under this section.

(2) AHEC shall award loan repayments in amounts that are sufficient to attract high-quality candidates while also making a meaningful increase in Vermont's health care professional workforce.

(f) Loan repayment shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry

forward and shall be available to the Department of Health and AHEC in the following fiscal year to award additional loan repayment as set forth in this section.

* * *

§ 36. NURSE FACULTY FORGIVABLE LOAN INCENTIVE PROGRAM

* * *

(d) To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

* * *

(5) have completed the Program's application form and ~~the Free Application for Federal Student Aid (FAFSA)~~ such financial aid forms as the Corporation deems necessary, in accordance with a schedule determined by the Corporation; and

* * *

(g) Forgivable loans shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and the Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

* * *

§ 37. NURSE FACULTY LOAN REPAYMENT PROGRAM

(a) As used in this section:

* * *

(4) "Loan repayment" means the ~~cancellation and~~ repayment of loans under this section.

* * *

(e) An eligible individual shall be entitled to an amount of loan ~~cancellation and~~ repayment under this section ~~equal to one year of loans for each year of service as a member of the nurse faculty at a nursing school in this state~~ for a defined service obligation of not less than one year at a Vermont nursing school.

(f) Loan repayment shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and AHEC in the

following fiscal year to award additional loan repayment as set forth in this section.

* * *

§ 38. VERMONT MENTAL HEALTH PROFESSIONAL FORGIVABLE LOAN INCENTIVE PROGRAM

* * *

(d) To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

* * *

(5) have completed the Program's application form and ~~the Free Application for Federal Student Aid (FAFSA)~~ such financial aid forms as the Corporation deems necessary, in accordance with a schedule determined by the Corporation; and

* * *

(h) Forgivable loans shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and the Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

* * *

§ 39. VERMONT PSYCHIATRIC MENTAL HEALTH NURSE PRACTITIONER FORGIVABLE LOAN INCENTIVE PROGRAM

* * *

(d) To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

* * *

(4) have executed a credit agreement or promissory note that will reduce the individual's forgivable loan benefit, in whole or in part, pursuant to subsection ~~(f)~~(e) of this section, if the individual fails to complete the period of service required in subdivision (3) of this subsection;

(5) have completed the Program's application form and ~~the Free Application for Federal Student Aid (FAFSA)~~ such financial aid forms as the Corporation deems necessary, in accordance with a schedule determined by the Corporation; and

* * *

(g) Forgivable loans shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and the Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

* * *

§ 40. VERMONT DENTAL HYGIENIST FORGIVABLE LOAN INCENTIVE PROGRAM

* * *

(d) To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

* * *

(4) have executed a credit agreement or promissory note that will reduce the individual's forgivable loan benefit, in whole or in part, pursuant to subsection ~~(g)~~(e) of this section, if the individual fails to complete the period of service required in this subsection;

(5) have completed the Program's application form~~, the Free Application for Federal Student Aid (FAFSA), and the Vermont grant application each academic year of enrollment~~ and such financial aid forms as the Corporation deems necessary, in accordance with a schedule determined by the Corporation; and

* * *

(h) Forgivable loans shall be awarded on a rolling basis, provided funds are available, and any funds remaining at the end of a fiscal year shall carry forward and shall be available to the Department of Health and the Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

* * *

Sec. E.312 HEALTH; PUBLIC HEALTH

(a) AIDS/HIV funding:

(1) In fiscal year 2025 and as provided in this section, the Department of Health shall provide grants in the amount of $475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health

AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated according to an RFP process.

(2) In fiscal year 2025 and as provided in this section, the Department of Health shall provide grants in the amount of $295,000 for HIV and Harm Reduction Services to the following organizations:

(A) Vermont CARES – $140,000;

(B) AIDS Project of Southern Vermont – $100,000; and

(C) HIV/HCV Resource Center – $55,000.

(3) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by the State General Fund.

(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in the Vermont Medication Assistance Program to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to Vermont Medication Assistance Program medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the Vermont Medication Assistance Program Advisory Committee, which shall be composed of not less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In fiscal year 2025, the Department of Health shall provide grants in the amount of $400,000 General Fund and $700,000 Opioid Settlement Fund to existing syringe service programs for HIV and Harm Reduction Services no later than September 1, 2024. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

(5) In fiscal year 2025, the Department of Health shall provide grants in the amount $350,000 Opioid Settlement Fund to fund new syringe service programs to increase the geographic distribution of Harm Reduction Services in Vermont no later than September 1, 2024.

(6) In fiscal year 2025, the Department of Health shall not reduce any grants to the Vermont AIDS service and peer-support organizations or syringe service programs from funds appropriated for AIDS/HIV services to levels below those in fiscal year 2024 without receiving prior approval from the Joint Fiscal Committee.

Sec. E.312.1 18 V.S.A. § 4772 is amended to read:

§ 4772. OPIOID SETTLEMENT ADVISORY COMMITTEE

* * *

(e) Presentation. Annually, the Advisory Committee shall vote on its recommendations. If the recommendations are supported by a majority affirmative vote, the Advisory Committee shall present its recommendations for expenditures from the Opioid Abatement Special Fund established pursuant to this subchapter to the Department of Health and concurrently submit its recommendations in writing to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare.

Sec. E.313 PLAN; PUBLIC INEBRIATE AND SOBER BED PROGRAMS

(a)(1) On or before July 15, 2024, the Department of Health shall initiate the first of as many as five stakeholder meetings for the purpose of identifying and discussing improvements to public inebriate and sober bed programs. Data from the report produced in accordance with 2022 Acts and Resolves No. 185, Sec. E.313 shall inform the work of this stakeholder group.

(2) Participating stakeholders shall include:

(A) the Commissioner of Public Safety, or designee;

(B) the Commissioner of Corrections, or designee;

(C) a representative, appointed by Vermont Care Partners;

(D) a representative, appointed by the Turning Point Center; and

(E) substance misuse service providers, appointed by the Commissioner of Health.

(b) As part of its fiscal year 2026 budget presentation, the Department of Health, in consultation with the stakeholder group described in subsection (a) of this section, shall submit a plan to the Senate Committees on Appropriations and on Health and Welfare and to the House Committees on Appropriations and on Human Services with recommendations to reorganize public inebriate and sober bed programs in a manner that accounts for increased client acuity and decreased bed availability throughout the State. The proposed

reorganization shall include a spending plan that prioritizes staff support and public safety.

Sec. E.316 33 V.S.A. § 3531 is amended to read:

§ 3531. CHILD CARE – BUILDING BRIGHT ~~SPACES FOR BRIGHT~~ FUTURES ~~FUNDS~~ FUND

(a) ~~A child care facilities~~ An early childhood services financing program is established to facilitate the development and expansion of ~~child care~~ ~~facilities~~ early childhood service programs in the State. ~~The Program~~ This financing program shall be administered by the Department for Children and Families.

(b) The ~~Program shall be supported from a special fund, to be known as the~~ "Building Bright ~~Spaces for Bright~~ Futures Fund," referred to in this section as "the ~~Bright Futures~~ Fund," is hereby created for this purpose to be administered by the Commissioner for Children and Families. Subject to approvals required by 32 V.S.A. § 5, the Fund may accept gifts and donations from any source, and the Commissioner may take appropriate actions to encourage contributions and designations to the ~~account~~ Fund, including publicizing explanations of the purposes of the Fund and the uses to which the ~~Bright Futures~~ Fund has been or will be applied.

(c) ~~Funds appropriated for this Program shall be used by the~~ The Commissioner ~~to award grants to eligible applicants for the development and expansion of child care options and community programs targeted for youths 14 through 18 years of age. These options may include recreational programs and related equipment or facilities, development or expansion of child care facilities, and community-based programs that address specific child care and youth program needs of the applicant region. The Commissioner shall establish by rule, criteria, conditions, and procedures for awarding such grants and administering this Program~~ shall disburse the proceeds of this fund in accordance with the plan developed by the Building Bright Futures Council per 33 V.S.A. § 4603(3) and all applicable administrative bulletins.

Sec. E.316.1 33 V.S.A. § 4601 is amended to read:

§ 4601. DEFINITIONS

As used in this chapter:

(1) "Early care, health, and education" means all services provided to families expecting a child and to children up to ~~the age of six~~ eight years of age, including child care, family support, early education, mental and physical health services, nutrition services, and disability services.

(2) "Regional council" means a regional entity linked to the State Building Bright Futures Council to support the creation of an integrated system of early care, health, and education at the local level.

Sec. E.317 STAKEHOLDER ENGAGEMENT; COMPREHENSIVE CHILD WELFARE INFORMATION SYSTEM

(a) In developing and implementing a comprehensive child welfare information system, the Department for Children and Families' Division of Family Services shall solicit input from youth, foster parents, kinship care providers, Division staff, and the employees of the Office of Racial Equity's Division of Racial Justice Statistics.

Sec. E.317.1 2024 Acts and Resolves No. 87, Sec. 101 is amended to read:

Sec. 101. ~~FOSTER CARE; SUBSIDIZED ADOPTION; EXPENDITURE~~

~~(a) The Department for Children and Families' Family Services Division shall spend funds appropriated in 2023 Acts and Resolves No. 78, Sec. B.317 on a four percent rate increase for foster care and subsidized adoption.~~ [Repealed.]

Sec. E.318 CONSENSUS ESTIMATE; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) On or before December 1, 2024, 2025, and 2026, the Department for Children and Families and the Joint Fiscal Office shall jointly determine and submit a consensus estimate for costs related to the Child Care Financial Assistance Program for the coming fiscal year to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare. This consensus estimate shall serve as a baseline for the Department for Children and Families' Child Care Financial Assistance Program budget.

Sec. E.318.1 33 V.S.A. § 3517 is amended to read:

§ 3517. CHILD CARE TUITION RATES

A child care provider shall ensure that its tuition rates are available to the public. ~~A regulated child care provider shall not impose an increase on annual child care tuition that exceeds 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. This amount shall be posted on the Department's website annually.~~

Sec. E.318.2 33 V.S.A. § 3517 is amended to read:

§ 3517. CHILD CARE TUITION RATES

A child care provider shall ensure that its tuition rates are available to the public. A regulated child care provider shall not impose an increase on annual child care tuition that exceeds 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. This amount shall be posted on the Department's website annually.

Sec. E.318.3 33 V.S.A. § 3512 is amended to read:

§ 3512. Child Care Financial Assistance Program; eligibility

(a)(1) The Child Care Financial Assistance Program is established to subsidize~~, to the extent that funds permit,~~ the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

* * *

Sec. E.321 GENERAL ASSISTANCE EMERGENCY HOUSING

(a) To the extent emergency housing is available and within the funds appropriated, the Commissioner for Children and Families shall ensure that General Assistance Emergency Housing is provided in fiscal year 2025 to households that attest to lack of a fixed, regular, and adequate nighttime residence and have a member who:

(1) is 65 years of age or older;

(2) has a disability that can be documented by:

(A) receipt of Supplemental Security Income or Social Security Disability Insurance; or

(B) a form developed by the Department as a means of documenting a qualifying disability or health condition that requires:

(i) the applicant's name, date of birth, and the last four digits of the applicant's Social Security number;

(ii) a description of the applicant's disability or health condition;

(iii) a description of the risk posed to the applicant's health, safety, or welfare if temporary emergency housing is not authorized pursuant to this section; and

(iv) a certification of a health care provider, as defined in 18 V.S.A. § 9481, that includes the provider's credentials, credential number, address, and phone number;

(3) is a child 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) The maximum number of days that a household receives emergency housing in a hotel or motel under this section, per 12-month period, shall not exceed 80 days.

(2) Emergency housing provided pursuant to this section shall replace the catastrophic and noncatastrophic categories adopted by the Department in rule.

(3)(A) Notwithstanding any rule or law to the contrary, the Department shall require all households applying for or receiving General Assistance Emergency Housing to engage in their own search for and accept any available alternative housing placements. All applicants and eligible households shall regularly provide information to the Department, not less frequently than monthly, about their efforts to secure an alternative housing placement. If the Department determines that a household, at the time of application or during the term of the household's authorization, has not made efforts to secure an alternative housing placement, or has access to an alternative housing placement, the Department shall deny the application or terminate the authorization at the end of the current authorization period.

(B) As used in this subdivision (3), "alternative housing placements" may include shelter beds and pods; placements with family or friends; permanent housing solutions, including tiny homes, manufactured homes, and apartments; residential treatment beds for physical health, long-term care, substance use, or mental health; nursing home beds; and recovery homes.

(c) To the extent funding and capacity exists, and notwithstanding subsection (a) of this section, the Department shall provide emergency winter housing to households lacking a fixed, regular, adequate, nighttime residence between December 1, 2024 and March 31, 2025. Emergency housing provided between November 15, 2024 through November 30, 2024 and between April 1, 2025 through April 15, 2025 shall be contingent on adverse weather conditions. If there is inadequate community-based shelter space available within the Agency of Human Services district in which the household presents itself, the household shall be provided emergency housing in a hotel or motel within the district, if available, until adequate community-based shelter space becomes available in the district. Emergency housing in a hotel or motel provided pursuant to this subsection shall not count toward the maximum days of eligibility per 12-month period provided in subdivision (b)(1) of this section.

(d)(1) Emergency housing required pursuant to this section may be provided through approved community-based shelters, new unit generation, open units, licensed hotels or motels, or other appropriate shelter space. The Department shall, when available, prioritize emergency housing at housing or shelter placements other than hotels or motels.

(2) The utilization of hotel and motel rooms pursuant to this section shall be capped at 1,300 rooms per night during the emergency winter housing period and adverse weather condition nights. Otherwise, beginning on September 15, 2024, the utilization of hotel and motel rooms shall be capped at 1,000 rooms per night.

(e) Case management services provided by case managers employed by or under contract with the Agency of Human Services or reimbursed through an Agency-funded grant shall include assisting clients with finding appropriate housing.

(f) The Commissioner for Children and Families shall adopt emergency rules pursuant to 3 V.S.A. § 844 for the administration of this section, which shall be deemed to have met the emergency rulemaking standard in 3 V.S.A. § 844(a), while permanent rules are pending.

(g) On or before the last day of each month from July 2024 through June 2025, the Department for Children and Families, or other relevant agency or department, shall continue submitting a similar report to that due pursuant to 2023 Acts and Resolves No. 81, Sec. 6(b) to the Joint Fiscal Committee, House Committee on Human Services, and Senate Committee on Health and Welfare.

(h) For temporary emergency housing provided in a hotel or motel beginning on July 1, 2024 and thereafter, the Department for Children and Families shall not pay a hotel or motel establishment more than the hotel's lowest advertised room rate and not more than $80 a day per room to shelter a household experiencing homelessness. The Department for Children and Families may shelter a household in more than one hotel or motel room depending on the household's size and composition.

(i) The Department for Children and Families shall apply the following rules to participating hotels and motels:

(1) Section 2650.1 of the Department for Children and Families' General Assistance (CVR 13-170-260);

(2) Department of Health, Licensed Lodging Establishment Rule (CVR 13-140-023); and

(3) Department of Public Safety, Vermont Fire and Building Safety Code (CVR 28-070-001).

(j)(1) The Department for Children and Families may work with either a shelter provider or a community housing agency to enter into a full or partial facility lease or sales agreement with a hotel or motel provider. Any facility conversion under this section shall comply with the Office of Economic Opportunity's shelter standards.

(2) If the Department for Children and Families determines that a contractual agreement with a licensed hotel or motel operator to secure temporary emergency housing capacity is beneficial to improve the quality, cleanliness, or access to services for those households temporarily housed in the facility, the Department shall be authorized to enter into such an agreement in accordance with the per-room rate identified in subsection (h) of this section; provided, however, that in no event shall such an agreement cause a household to become unhoused. The Department for Children and Families may include provisions to address access to services or related needs within the contractual agreement.

(k) Of the amount appropriated to implement this section, not more than $500,000 shall be used for security costs.

(l) As used in this section:

(1) "Community-based shelter" means a shelter that meets the Vermont Housing Opportunity Grant Program's Standards of Provision of Assistance.

(2) "Household" means an individual and any dependents for whom the individual is legally responsible and who live in Vermont. "Household"

includes individuals who reside together as one economic unit, including those who are married, parties to a civil union, or unmarried.

Sec. E.321.1 GENERAL ASSISTANCE EMERGENCY HOUSING TASK FORCE

(a) Creation. There is created the General Assistance Emergency Housing Task Force to provide recommendations to the General Assembly regarding the statewide and local operation and administration of the General Assistance Emergency Housing benefit.

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

(1) two representatives with lived experience of homelessness, one representative appointed by the Speaker and one representative appointed by the President Pro Tempore;

(2) a representative, appointed by the Housing and Homelessness Alliance of Vermont;

(3) a representative, appointed by the Vermont Housing and Conservation Board;

(4) a representative, appointed by Vermont Care Partners;

(5) a representative, appointed by the Long-Term Care Crisis Coalition;

(6) a representative, appointed by Vermont 2-1-1;

(7) a representative, appointed by the Vermont League of Cities and Towns;

(8) a representative, appointed by the Vermont Center for Independent Living;

(9) the Commissioner of the Department for Children and Families or designee;

(10) the Deputy Commissioner of the Department for Children and Families' Division of Economic Services; and

(11) the Commissioner of the Department of Housing and Community Development or designee.

(c) Powers and duties. The Task Force shall examine and provide recommendations on the following:

(1) household eligibility; maximum days of eligibility; application, notice, and appeals processes; participant requirements; and annual reporting requirements;

(2) the process to establish a single, statewide, unified coordinated entry system with participation from the Department;

(3) the current organization of roles and responsibilities within the Department for Children and Families' Office of Economic Opportunity and the Division of Economic Services;

(4) the number and types of emergency shelter spaces needed and currently available for each geographic region in the State, with a preference for noncongregate shelter spaces;

(5) the identification of a consistent lead agency for each geographic region;

(6) the identification of role and responsibility assigned to the lead agency;

(7) potential adjustments to emergency housing policy during cold weather months;

(8) a process to enable participating households to place a percentage of the household's gross income into savings, which shall be returned to the household for permanent housing expenses when the household exits the General Assistance Emergency Housing;

(9) a mechanism for addressing potential conduct challenges posed by a member of a participating household served in a motel, hotel, or shelter;

(10) the identification of any State rules and local regulations and ordinances that are impeding the timely development of safe, decent, affordable housing in Vermont communities in order to:

(A) identify areas in which flexibility or discretion are available; and

(B) advise whether the temporary suspension of relevant State rules and local regulations and ordinances, or the adoption or amendment of State rules, would facilitate faster and less costly revitalization of existing housing and construction of new housing units;

(11) a mechanism to ensure that eligible households are sheltered until transitional or permanent housing is available; and

(12) strategies to reduce reliance on hotels and motels for emergency housing.

(d) Assistance. The Task Force shall have the administrative, technical, and legal assistance of the Department for Children and Families.

(e) Report. On or before January 15, 2025, the Task Force shall submit a written report to the House Committee on Human Services and the Senate

Committee on Health and Welfare with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Commissioner for Children and Families or designee shall call the first meeting of the Task Force to occur on or before August 1, 2024.

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

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

(4) The Task Force shall cease once the report required pursuant to subsection (e) of this section has been submitted to the General Assembly.

(g) Compensation and reimbursement. Members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings. These payments shall be made from monies appropriated to the Department for Children and Families.

Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the crisis fuel grants pursuant to 33 V.S.A. § 2609(b).

Sec. E.324.1 33 V.S.A. § 2609 is amended to read:

§ 2609. CRISIS RESERVES; ELIGIBILITY AND ASSISTANCE

* * *

(b) Crisis fuel grants ~~shall~~ may be limited per winter heating season to one grant for households that are income-eligible and have received a seasonal fuel assistance grant and meet all eligibility requirements for crisis fuel assistance or to two grants for households that are not income-eligible for seasonal fuel assistance and meet all eligibility requirements for crisis fuel assistance.

Sec. E.325 DEPARTMENT FOR CHILDREN AND FAMILIES; OFFICE OF ECONOMIC OPPORTUNITY

(a) Of the General Fund appropriation in Sec. B.325 of this act, $25,847,402 shall be used by the Department for Children and Families' Office of Economic Opportunity to issue grants to community agencies assisting individuals experiencing homelessness by preserving existing

services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Grant decisions and the administration of funds shall be done in consultation with the U.S. Department of Housing and Urban Development recognized Continuum of Care Program.

Sec. E.326 DEPARTMENT FOR CHILDREN AND FAMILIES; OFFICE OF ECONOMIC OPPORTUNITY; WEATHERIZATION ASSISTANCE

(a) Of the special fund appropriation in Sec. B.326 of this act, $750,000 is for the replacement and repair of home heating equipment.

Sec. E.326.1 33 V.S.A. § 2502 is amended to read:

§ 2502. HOME WEATHERIZATION ASSISTANCE PROGRAM

* * *

(a) In addition, the Director shall supplement or supplant any federal program with the State Home Weatherization Assistance Program.

(1) The State ~~program~~ Program shall provide an enhanced weatherization assistance amount exceeding the federal per-unit limit allowing amounts up to an average of ~~$8,500.00~~ $15,300.00 per unit allocated on a cost-effective basis. The allowable average ~~per unit may be adjusted to account for the lower cost~~ per unit of multifamily buildings will be $4,500.00. In units where costs exceed the allowable average by more than 25 percent, prior approval of the Director of the State Economic Opportunity Office shall be required before work commences. This amount shall be adjusted annually to account for inflation of materials and labor.

* * *

(b) The ~~Secretary of Human Services~~ Director shall ~~by rule establish~~ require landlords that are not income eligible to enter into a rent stabilization ~~agreements and provisions to recapture amounts expended for weatherization of a rental unit that exceed the amount of~~ agreement that takes into account the energy cost reductions projected to be obtained by eligible tenants of the unit. The time periods established for rent stabilization ~~and recapture~~ shall be set taking into account the size of benefits received by tenants and landlords as well as the effect on Program participation. ~~Funds recaptured under this section shall be deposited into the Home Weatherization Assistance Fund established under section 2501 of this title.~~

* * *

Sec. E.329 33 V.S.A. § 1602 is amended to read:

§ 1602. VERMONT DEAF, HARD OF HEARING, AND DEAFBLIND ADVISORY COUNCIL

* * *

(b) Membership. The Advisory Council shall consist of the following members:

* * *

(9) a superintendent, selected by the Vermont Superintendents Association; ~~and~~

(10) a special education administrator, selected by the Vermont Council of Special Education Administrators; and

(11) a representative of the Vermont chapter of Hands and Voices.

* * *

Sec. E.338 CORRECTIONS; CORRECTIONAL SERVICES

(a) Notwithstanding 32 V.S.A. § 3709(a), the special fund appropriation of $152,000 in Sec. B.338 of this act for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.338.1 CORRECTIONS; DOMESTIC VIOLENCE ACCOUNTABILITY PROGRAMS

(a) $850,000 of the General Fund appropriation made in Sec. B.338.1 of this act shall be for an annual grant to the Vermont Network Against Domestic and Sexual Violence for Domestic Violence Accountability Programs.

Sec. E.339 OUT OF STATE BED SAVINGS; PRETRIAL SUPERVISION PROGRAM

(a) To the extent that the need for the General Fund dollars appropriated to the Department of Corrections for out-of-state beds in Sec. B.339 of this act is reduced, it is the intent of the General Assembly that these funds be reappropriated to the Department of Corrections for the Pretrial Supervision Program.

Sec. E.345 18 V.S.A. § 9374(h) is amended to read:

(h)(1) ~~The Board may assess and collect from each regulated entity the actual costs incurred by the Board, including staff time and contracts for professional services, in carrying out its regulatory duties for health insurance rate review under 8 V.S.A. § 4062; hospital budget review under chapter 221,~~

~~subchapter 7 of this title; and accountable care organization certification and budget review under section 9382 of this title. The Board may also assess and collect from general hospitals licensed under chapter 43 of this title expenses incurred by the Commissioner of Health in administering hospital community reports under section 9405b of this title.~~

~~(2)~~(A) ~~In addition to the assessment and collection of actual costs pursuant to subdivision (1) of this subsection and except~~ Except as otherwise provided in subdivisions ~~(2)(C) and (3)~~ (1)(C) and (2) of this subsection, ~~all other~~ the expenses of the Board shall be borne as follows:

(i) 40.0 percent by the State from State monies;

(ii) ~~30~~ 28.8 percent by the hospitals;

(iii) ~~24~~ 23.2 percent by nonprofit hospital and medical service corporations licensed under 8 V.S.A. chapter 123 or 125, health insurance companies licensed under 8 V.S.A. chapter 101, and health maintenance organizations licensed under 8 V.S.A. chapter 139; and

(iv) ~~six~~ 8.0 percent by accountable care organizations ~~certified under section 9382 of this title~~.

(B) Expenses under subdivision (A)(iii) of this subdivision ~~(2)~~(1) shall be allocated to persons licensed under Title 8 based on premiums paid for health care coverage, which for the purposes of this subdivision ~~(2)~~(1) shall include major medical, comprehensive medical, hospital or surgical coverage, and comprehensive health care services plans, but shall not include long-term care, limited benefits, disability, credit or stop loss, or excess loss insurance coverage.

(C) Expenses ~~incurred by the Board for regulatory duties associated with certificates of need shall be~~ assessed pursuant to the provisions of section 9441 of this title ~~and not~~ shall not be assessed in accordance with the formula set forth in subdivision (A) of this subdivision ~~(2)~~(1).

~~(3)~~(2) The Board may determine the scope of the incurred expenses to be allocated pursuant to the formula set forth in subdivision ~~(2)~~(1) of this subsection if, in the Board's discretion, the expenses to be allocated are in the best interests of the regulated entities and of the State.

~~(4)~~(3) If the amount of the proportional assessment to any entity calculated in accordance with the formula set forth in subdivision ~~(2)(A)~~(1)(A) of this subsection would be less than $150.00, the Board shall assess the entity a minimum fee of $150.00. The Board shall apply the amounts collected based on the difference between each applicable entity's proportional assessment amount and $150.00 to reduce the total amount assessed to the

regulated entities pursuant to subdivisions ~~(2)(A)(ii)-(iv)~~ (1)(A)(ii)–(iv) of this subsection.

~~(5)~~(4)(A) 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.

Sec. E.500 EDUCATION; FINANCE AND ADMINISTRATION

(a) The Global Commitment funds appropriated in Sec. B.500 of this act will be used for physician claims for determining medical necessity of individualized education programs. These services are intended to increase access to quality health care for uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.502 EDUCATION; SPECIAL EDUCATION: FORMULA GRANTS

(a) Of the appropriation authorized in Sec. B.502 of this act, and notwithstanding any other provision of law, an amount not to exceed $4,329,959 shall be used by the Agency of Education in fiscal year 2025 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

(b) Of the appropriation authorized in Sec. B.502 of this act, and notwithstanding any other provision of law, an amount not to exceed $500,000 shall be used by the Agency of Education in fiscal year 2025 as funding for 16 V.S.A. § 2975. In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.503 EDUCATION; STATE-PLACED STUDENTS

(a) The Independence Place Program of ANEW Place shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

Sec. E.504 ADULT EDUCATION AND LITERACY

(a) Of the appropriation in Sec. B.504 of this act, $3,778,133 General Fund shall be granted to adult education and literacy providers, pursuant to the program established in 16 V.S.A. § 945.

Sec. E.504.1 EDUCATION; FLEXIBLE PATHWAYS

(a) Notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, of the appropriation in Sec. B.504.1 of this act, $2,518,755 Education Fund dollars shall be allocated to the Agency of Education for distribution to adult education and literacy providers pursuant to the program established in 16 V.S.A. § 945.

(b) Notwithstanding 16 V.S.A. § 4025, of this Education Fund appropriation, the amount of:

(1) $921,500 is designated for dual enrollment programs, notwithstanding 16 V.S.A. § 944(f)(2);

(2) $2,000,000 is designated to support the Vermont Virtual High School;

(3) $400,000 is designated for secondary school reform grants; and

(4) $4,600,000 is designated for Early College pursuant to 16 V.S.A. § 946.

(c) Of the appropriation in Sec. B.504.1 of this act, $921,500 from the General Fund is designated for dual enrollment programs.

Sec. E.507.1 ENGLISH LANGUAGE LEARNERS; CATEGORICAL AID

(a) The funds appropriated in Sec. B.507.1 of this act shall be used to provide categorical aid to school districts for English Learner services, pursuant to 16 V.S.A. § 4013.

Sec. E.514 STATE TEACHERS' RETIREMENT SYSTEM

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the Vermont State Teachers' Retirement System shall be $201,182,703, of which $191,382,703 shall be the State's contribution and $9,800,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, $37,842,027 is the "normal contribution," and $163,340,676 is the "accrued liability contribution."

Sec. E.514.1 VERMONT STATE TEACHERS' RETIREMENT SYSTEM AND VERMONT PENSION INVESTMENT COMMISSION; OPERATING BUDGET, SOURCE OF FUNDS

(a) Of the $3,572,780 appropriated in Sec. B.514.1 of this act, $2,516,037 constitutes the Vermont State Teachers' Retirement System operating budget, and $1,056,743 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont State Teachers' Retirement System.

Sec. E.515 RETIRED TEACHERS' HEALTH CARE AND MEDICAL BENEFITS

(a) In accordance with 16 V.S.A. § 1944b(b)(2) and (h)(1), the annual contribution to the Retired Teachers' Health and Medical Benefits plan shall be $70,482,644, of which $62,107,644 shall be the State's contribution and $8,375,000 shall be from the annual charge for teacher health care contributed by employers pursuant to 16 V.S.A. § 1944d. Of the annual contribution, $21,648,946 is the "normal contribution," and $48,833,698 is the "accrued liability contribution."

Sec. E.600 UNIVERSITY OF VERMONT

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.600 of this act to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, $380,362 shall be transferred to the Experimental Program to Stimulate Competitive Research to comply with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602 VERMONT STATE COLLEGES

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.602 of this act to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, $427,898 shall be transferred to the Vermont Manufacturing Extension Center to comply with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602.1 2021 Acts and Resolves No. 74, Sec. E.602.2, as amended by 2022 Acts and Resolves No. 83, Sec. 67 and 2022 Acts and Resolves No. 185, Sec. C.101, is further amended to read:

Sec. E.602.2 VERMONT STATE COLLEGES

(a) The Vermont State College (VSC) system shall transform itself into a fully integrated system that achieves financial stability in a responsible and sustainable way in order to meet each of these strategic priorities:

* * *

(b) VSC shall meet the following requirements during the transformation of its system required under subsection (a) of this section and shall accommodate the oversight of the General Assembly in so doing.

(1) VSC shall reduce its structural deficit by $5,000,000.00 per year for three years and by $3,500,000.00 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(l)(1) of this act, the Department of Forests, Parks and Recreation shall as a pilot expand the Water Quality Assistance Program established by 10 V.S.A. § 2622a to enable the Program to provide financial assistance to logging contractors to ensure implementation of proactive and preventative water quality protection and climate adaptation practices on harvest sites. The Program shall provide financial assistance to logging contractors for the following:

(1) implementation of accepted management practices and other best practices defined by the Department on harvest sites to enhance water quality protection and climate adaptation measures before forest operations take place;

(2) purchase by logging contractors of materials or practices that can be used for forest access road construction, landing preparation, bridge construction or installation, culvert protection or installation, and sediment control in advance of harvest implementation in order to comply with the accepted management practices and other potentially applicable water quality requirements; and

(3) financial assistance or cost share for a logging contractor to be Master Logger Certified by third-party entities, such as the Northeast Master Logger Certification Program of the Trust to Conserve Northeast Forestlands.

(b) The Department of Forests, Parks and Recreation may establish criteria for eligibility under the Water Quality Assistance Program, including priority of assistance and application requirements.

(c) The Water Quality Assistance Program shall operate as a pilot program in fiscal year 2025.

(d) On or before July 15, 2025, the Commissioner of Forests, Parks and Recreation shall report to the House Committee on Agriculture, Food Resiliency, and Forestry and the Senate Committee on Natural Resources and Energy the results of the pilot Water Quality Assistance Program.

Sec. E.802 10 V.S.A. § 699 is amended to read:

§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

* * *

(e) Program requirements applicable to grants. For a grant awarded through the Program, the following requirements apply for a minimum period of five years:

(1) A landlord shall coordinate with nonprofit housing partners and local coordinated entry organizations to identify potential tenants.

(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a landlord shall lease the unit to a household that is exiting homelessness or actively working with an immigrant or refugee resettlement program or composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household ~~exiting homelessness~~ under subdivision (A) of this subdivision (e)(2) is not available to lease the unit, then the landlord shall lease the unit:

* * *

Sec. E.910 23 V.S.A. § 304c is amended to read:

§ 304c. MOTOR VEHICLE REGISTRATION PLATES: BUILDING BRIGHT ~~SPACES FOR BRIGHT~~ FUTURES ~~FUND~~

(a) The Commissioner shall, upon application, issue "Building Bright ~~Spaces for Bright~~ Futures ~~Fund~~," ~~referred to as "the Bright Futures Fund,"~~ registration plates for use only on vehicles registered at the pleasure car rate, on trucks registered for less than 26,001 pounds, on vehicles registered to State agencies under section 376 of this title, and excluding vehicles registered under the International Registration Plan. Plates so acquired shall be mounted

on the front and rear of the vehicle. The Commissioner of Motor Vehicles shall utilize the graphic design recommended by the Commissioner for Children and Families for the special plates to enhance the public awareness of the State's interest in supporting ~~children's~~ early childhood services. Applicants shall apply on forms prescribed by the Commissioner of Motor Vehicles and shall pay an initial fee of $29.00 in addition to the annual fee for registration. In following years, in addition to the annual registration fee, the holder of a ~~Bright Futures Fund~~ plate shall pay a renewal fee of $29.00. The Commissioner of Motor Vehicles shall adopt rules under 3 V.S.A. chapter 25 to implement the provisions of this subsection.

(b) Fees collected under subsection (a) of this section shall be ~~allocated~~ deposited as follows:

(1) 29 percent ~~to~~ in the Transportation Fund.

(2) 71 percent ~~to the Department for Children and Families for deposit~~ in the Building Bright Futures Fund created in 33 V.S.A. § 3531.

(c) Renewal fees collected under subsection (a) of this section shall be ~~allocated~~ deposited as follows:

(1) 79 percent ~~to the Department for Children and Families for deposit~~ in the Building Bright Futures Fund created in 33 V.S.A. § 3531.

(2) 21 percent ~~to~~ in the Transportation Fund.

(d) The Department of Motor Vehicles shall be charged by the Department of Corrections for the production of the Building Bright Futures ~~Fund~~ license plates.

Sec. E.915 TRANSPORTATION; TOWN HIGHWAY AID PROGRAM

(a) The total appropriation in Sec. B.915 of this act is authorized, notwithstanding the provisions of 19 V.S.A. § 306(a).

* * * Securities Fees * * *

Sec. F.1 8 V.S.A. § 4800(2)(A)(iii) is amended to read:

(iii) Except as provided in subdivisions (I) and (II) of this subdivision, initial and annual producer appointment fees for each qualification set forth in section 4813g of subchapter 1A of this chapter for resident and nonresident producers acting as agents of foreign insurers, ~~$60.00~~ $80.00:

* * *

Sec. F.2 9 V.S.A. § 5302(e) is amended to read:

(e) At the time of the filing of the information prescribed in subsection (a), (b), (c), or (d) of this section, except investment companies subject to 15 U.S.C. § 80a-1 et seq., the issuer shall pay to the Commissioner a fee of ~~$600.00~~ $820.00. The fee is nonrefundable.

Sec. F.3 9 V.S.A. § 5302(f) is amended to read:

(f) Investment companies subject to 15 U.S.C. § 80a-1 et seq. shall pay to the Commissioner an initial notice filing fee of ~~$2,000.00~~ $2,275.00 and an annual renewal fee of ~~$1,650.00~~ $2,025.00 for each portfolio or class of investment company securities for which a notice filing is submitted.

Sec. F.4 9 V.S.A. § 5410(b) is amended to read:

(b) The fee for an individual is ~~$120.00~~ $145.00 when filing an application for registration as an agent, ~~$120.00~~ $145.00 when filing a renewal of registration as an agent, and ~~$120.00~~ $145.00 when filing for a change of registration as an agent. The fee is nonrefundable.

* * * Effective Dates * * *

Sec. G.100 EFFECTIVE DATES

(a) This section and Secs. B.1102, C.100, C.101, C.103, C.104, C.105, C.106, C.107, C.111, C.112, C.113, C.114, C.115, C.116, C.117, C.118, C.119, C.120, E.125.1, E.126.2, and E.127.1 shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214:

(1) Sec. C.102 shall take effect retroactively on March 1, 2024;

(2) Secs. C.108, C.109, and C.110 shall take effect retroactively on July 1, 2023; and

(3) Sec. E.910 shall take effect retroactively on January 1, 2024.

(c) Sec. E.318.2 shall take effect on July 1, 2025.

(d) Sec. F.1 shall take effect on January 1, 2025.

(e) All remaining sections shall take effect on July 1, 2024.

And by renumbering all of the sections of the bill to be numerically correct (including internal references) and adjusting all of the totals to be arithmetically correct.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. Lanpher of Vergennes** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Lanpher of Vergennes
Rep. Scheu of Middlebury
Rep. Wood of Waterbury

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Message from the Senate No. 53

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

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

H. 546. An act relating to administrative and policy changes to tax laws.

H. 868. An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

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

Pursuant to the request of the House for a Committee of Conference on the disagreeing votes of the two Houses on House bill entitled:

H. 883. An act relating to making appropriations for the support of government.

The President pro tempore announced the appointment as members of such Committee on the part of the Senate:

Senator Kitchel
Senator Perchlik
Senator Westman

The Senate has on its part adopted concurrent resolutions originating in the House of the following titles:

H.C.R. 231. House concurrent resolution celebrating the 50th anniversary of the National Conference of State Legislatures.

H.C.R. 232. House concurrent resolution congratulating the Woodford SnoBusters snowmobile club on its 40th anniversary.

H.C.R. 233. House concurrent resolution in memory of former Representative Charles Marshall Goodwin IV of Weston.

H.C.R. 234. House concurrent resolution in memory of Phyllis Gigante of Brattleboro.

H.C.R. 235. House concurrent resolution in memory of former Winhall Town Treasurer Kathryn Louise Coleman.

H.C.R. 236. House concurrent resolution congratulating Kevin J. Goodhue on his nearly half century of remarkable public service and future-oriented leadership at the Bennington Rural Fire Department.

H.C.R. 237. House concurrent resolution congratulating the youngsters who represented Vermont and earned an individual championship at the 2024 Elks National Hoop Shoot's New England regional tournament.

H.C.R. 238. House concurrent resolution recognizing the month of May 2024 as Asian/ Pacific American Heritage Month in Vermont.

H.C.R. 239. House concurrent resolution congratulating the 2024 Vermont finalists for the Presidential Awards for Excellence in Mathematics and Science Teaching.

H.C.R. 240. House concurrent resolution congratulating Aziza Malik on being named the Vermont 2024 Teacher of the Year.

H.C.R. 241. House concurrent resolution congratulating the drama students and theater department of U-32 High School on earning a berth at the 2024 New England Theatre Festival.

Adjournment

At eleven and thirteen minutes in the forenoon, on motion of **Rep. McCoy of Poultney**, the House adjourned until Monday, April 29, 2024, at ten o'clock and thirty minutes in the forenoon, pursuant to the provisions of J.R.S. 54.

Concurrent Resolutions Adopted

The following concurrent resolutions, having been placed on the Consent Calendar on the preceding legislative day, and no member having requested floor consideration as provided by Rule 16b of the Joint Rules of the Senate and House of Representatives, are hereby adopted on the part of the House:

H.C.R. 231

House concurrent resolution celebrating the 50th anniversary of the National Conference of State Legislatures

H.C.R. 232

House concurrent resolution congratulating the Woodford SnoBusters snowmobile club on its 40th anniversary

H.C.R. 233

House concurrent resolution in memory of former Representative Charles Marshall Goodwin IV of Weston

H.C.R. 234

House concurrent resolution in memory of Phyllis Gigante of Brattleboro

H.C.R. 235

House concurrent resolution in memory of former Winhall Town Treasurer Kathryn Louise Coleman

H.C.R. 236

House concurrent resolution congratulating Kevin J. Goodhue on his nearly half century of remarkable public service and future-oriented leadership at the Bennington Rural Fire Department

H.C.R. 237

House concurrent resolution congratulating the youngsters who represented Vermont and earned an individual championship at the 2024 Elks National Hoop Shoot's New England regional tournament

H.C.R. 238

House concurrent resolution recognizing the month of May 2024 as Asian/ Pacific American Heritage Month in Vermont

H.C.R. 239

House concurrent resolution congratulating the 2024 Vermont finalists for the Presidential Awards for Excellence in Mathematics and Science Teaching

H.C.R. 240

House concurrent resolution congratulating Aziza Malik on being named the Vermont 2024 Teacher of the Year

H.C.R. 241

House concurrent resolution congratulating the drama students and theater department of U-32 High School on earning a berth at the 2024 New England Theatre Festival

[The full text of the concurrent resolutions appeared in the House Calendar Addendum on the preceding legislative day and will appear in the Public Acts and Resolves of the 2024 Adjourned Session.]

Monday, April 29, 2024

At ten o'clock and thirty minutes in the forenoon, the Speaker called the House to order. Noting a lack of quorum and pursuant to House Rule 9, the House adjourned until Tuesday April 30, 2024 at ten o'clock in the forenoon.

Tuesday, April 30, 2024

At ten o'clock in the forenoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rep. John O'Brien of Tunbridge.

Pledge of Allegiance

Page Colin P. McIntyre of Marshfield led the House in the Pledge of Allegiance.

Message from the Governor

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

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 29th day of April 2024, he signed a bill originating in the House of the following title:

H. 666 An act relating to escrow deposit bonds

House Bill Introduced

H. 888

By Reps. Cole of Hartford and Christie of Hartford,

House bill, entitled

An act relating to approval of amendments to the charter of the Town of Hartford

Was read the first time and referred to the Committee on Government Operations and Military Affairs.

Bill Referred to Committee on Ways and Means

H. 503

House bill, entitled

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

Appearing on the Notice Calendar, and pursuant to House Rule 35(a), materially affecting the revenue of one or more municipalities, was referred to the Committee on Ways and Means.

Bills Referred to Committee on Ways and Means

Senate bills of the following titles, appearing on the Notice Calendar, affecting the revenue of the State, pursuant to House Rule 35(a), were referred to the Committee on Ways and Means:

S. 254

Senate bill, entitled

An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program

S. 309

Senate bill, entitled

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

Bill Referred to Committee on Appropriations

S. 195

Senate bill, entitled

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

Appearing on the Notice Calendar, and pursuant to House Rule 35(a), carrying an appropriation, was referred to the Committee on Appropriations.

Ceremonial Reading

H.C.R. 153

House concurrent resolution commemorating Molly Davies's transfer of 350 acres of land in the Town of Wheelock to the Nulhegan Band of the Coosuk Abenaki Nation

Offered by: Representatives Roberts of Halifax, Stevens of Waterbury, Bluemle of Burlington, Brumsted of Shelburne, Burrows of West Windsor, Chesnut-Tangerman of Middletown Springs, LaBounty of Lyndon, LaMont of Morristown, and Wilson of Lyndon

Whereas, since the 1990s, the family of Molly Davies had owned 600 acres of land in the Town of Wheelock, and

Whereas, approximately six years ago, the Vermont Land Trust established a conservation easement over the entire parcel, and a supportive farmer secured ownership of the 250 agricultural acres, and

Whereas, Molly Davies sought to transfer the ownership of the remaining 350 forested acres to a new owner, who, in accordance with the already created conservation easement, would appreciate the parcel for such natural purposes as maple sugaring, as the site features a maple sugaring house, and fishing on the adjacent Chandler Pond, and

Whereas, with these goals in mind, when Molly Davies happened to meet Chief Don Stevens of the Nulhegan Band of the Coosuk Abenaki Nation at a Stowe art gallery event, she broached the idea of transferring the ownership of the conserved land to his band, and

Whereas, Chief Stevens was initially skeptical, knowing of insincere historic offers, but Molly Davies persuaded him to walk the land with her, and

Whereas, two years later, with the technical support of the organization Abenaki Helping Abenaki, on the propitious occasion of Indigenous Peoples' Day 2023, this momentous 350-acre land transfer, which did not cost the band any money, was consummated, in the presence of approximately 50 persons, and

Whereas, the land transfer ceremony, which is known as livery of seisin or a feoffment, featured Molly Davies handing an evergreen branch to Chief Stevens and then the passing around of a pipe, which contributed a special fragrance to the festivities, and

Whereas, Chief Stevens cherished this joyous moment, as the band secured legal ownership and band stewardship of land it has long held sacred, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly commemorates Molly Davies's transfer of 350 acres of land in the Town of Wheelock to the Nulhegan Band of the Coosuk Abenaki Nation, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to Molly Davies and Chief Don Stevens of the Nulhegan Band of the Coosuk Abenaki Nation.

Having been adopted in concurrence on Friday, February 16, 2024 in accord with Joint Rule 16b, was read.

Ceremonial Reading

H.C.R. 199

House concurrent resolution congratulating the Boys & Girls Clubs of Vermont's 2024 Youth of the Year honorees and designating April 4, 2024 as Boys & Girls Club Day at the State House

Offered by: Representatives Rachelson of Burlington, Berbeco of Winooski, Black of Essex, Bluemle of Burlington, Bos-Lun of Westminster, Brown of Richmond, Brumsted of Shelburne, Burditt of West Rutland, Burke of Brattleboro, Campbell of St. Johnsbury, Canfield of Fair Haven, Chapin of East Montpelier, Chase of Colchester, Chesnut-Tangerman of Middletown Springs, Christie of Hartford, Cina of Burlington, Coffey of Guilford, Conlon of Cornwall, Cordes of Lincoln, Dodge of Essex, Dolan of Essex Junction, Donahue of Northfield, Farlice-Rubio of Barnet, Garofano of Essex, Goldman of Rockingham, Goslant of Northfield, Graham of Williamstown, Gregoire of Fairfield, Headrick of Burlington, Hooper of Randolph, Hooper of Burlington, Houghton of Essex Junction, Kornheiser of Brattleboro, Krasnow of South Burlington, Krowinski of Burlington, Lalley of Shelburne, Leavitt of Grand Isle, Logan of Burlington, Marcotte of Coventry, Masland of Thetford, McCarthy of St. Albans City, Minier of South Burlington, Mrowicki of Putney, Mulvaney-Stanak of Burlington, Nugent of South Burlington, Ode of Burlington, Pajala of Londonderry, Pouech of Hinesburg, Shaw of Pittsford, Small of Winooski, Stebbins of Burlington, Stone of Burlington, and Waters Evans of Charlotte

Offered by: Senators Chittenden, Lyons, Ram Hinsdale, Vyhovsky, and Wrenner

Whereas, since 1947, the Boys & Girls Clubs of America's Youth of the Year program has encouraged the organization's young members to reach their full potential through academic success, healthy lifestyles, and contributing to their communities, and this program epitomizes the positive impact that the Boys & Girls Clubs can have on young people's lives, and

Whereas, Boys & Girls Clubs prepare their members to become responsible, successful, and patriotic adults and community leaders, and

Whereas, the Youth of the Year award winners at the local, state, regional, and national levels exemplify the hard work, determination, and hope of the Boys & Girls Clubs movement, and

Whereas, being named a Youth of the Year award winner is the highest honor that the Boys & Girls Clubs can bestow on their members, and

Whereas, all Youth of the Year award winners have experienced and overcome personal challenges and obstacles in their lives, even as they devoted considerable time and effort to improving the lives of others, and

Whereas, the 2024 Youth of the Year honorees in Vermont and their local clubs are Braden Howe (Boys & Girls Club of Brattleboro) and Henry Tornwini (Boys & Girls Club of Burlington), now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly congratulates the Boys & Girls Clubs of Vermont's 2024 Youth of the Year honorees and designates April 4, 2024 as Boys & Girls Club Day at the State House, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to each Boys & Girls Club member honored in this resolution.

Having been adopted in concurrence on Friday, March 29, 2024 in accord with Joint Rule 16b, was read.

Ceremonial Reading

H.C.R. 201

House concurrent resolution honoring Cindy Scott's third-grade class at Twinfield Union School for establishing a special friendship with the young patients at St. Nicholas Pediatric Hospital-UNBROKEN KIDS Rehabilitation Center in Lviv, Ukraine

Offered by: Representatives Mihaly of Calais and Masland of Thetford

Offered by: Senator Vyhovsky

Whereas, on February 24, 2022, Russia invaded its neighbor, the independent nation of Ukraine, with a fury that shocked the world, and, as of

February 24, 2024, aside from the multitude of military personnel casualties, Ukraine had experienced over 10,500 civilian deaths, including 587 children, and

Whereas, St. Nicholas Pediatric Hospital in Lviv serves as the national medical hub for the treatment and rehabilitation of children injured by this war, and

Whereas, a world away, in Marshfield, Vermont, teacher Cindy Scott's third-grade class at Twinfield Union School, comprising students Autumn, Cassidy, Elise, Evelyn, Finn, George, Georgia, Gus, Jace, Liev, Lennix, Lincoln, Maeve, Matthew, Micah, Phil, Sadie, and Shay, decided, on their own initiative, to create "fidget" toy packets for these war victims, with personal notes of caring and love from each student composed in both English and Ukrainian, and arrangements were made for personal delivery of the packages, and

Whereas, after the gifts were delivered, the Twinfield third graders participated in a Zoom session with their counterparts in the "Superhero Class" at St. Nicholas Pediatric Hospital, during which the youngsters at each location asked questions, sang songs, and recited poetry, and

Whereas, this extraordinary act of friendship was recognized with a fun class photo that appeared in the *Times Argus* newspaper and the third graders' receipt of a beautiful and heartfelt letter of gratitude from St. Nicholas Pediatric Hospital, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly honors Cindy Scott's third-grade class at Twinfield Union School for establishing a special friendship with the young patients at St. Nicholas Pediatric Hospital-UNBROKEN KIDS Rehabilitation Center in Lviv, Ukraine, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to Twinfield Union School and to St. Nicholas Pediatric Hospital.

Having been adopted in concurrence on Friday, April 5, 2024 in accord with Joint Rule 16b, was read.

Favorable Reports; Second Reading; Third Reading Ordered

H. 885

Rep. Morgan of Milton, for the Committee on Government Operations and Military Affairs, to which had been referred House bill, entitled

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

Reported in favor of its passage.

Rep. Anthony of Barre City, for the Committee on Ways and Means, reported in favor of its passage.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and third reading ordered.

Favorable Report; Second Reading; Third Reading Ordered

H. 886

Rep. Nugent of South Burlington, for the Committee on Government Operations and Military Affairs, to which had been referred House bill, entitled

An act relating to approval of amendments to the charter of the City of South Burlington

Reported in favor of its passage. The bill, having appeared on the Notice Calendar, was taken up, read the second time, and third reading ordered.

**Senate Proposal of Amendment Not Concurred in;
Committee of Conference Requested and Appointed; Rules Suspended,
House Actions Messaged to Senate Forthwith**

H. 868

The Senate proposed to the House to amend House bill, entitled

An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation

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

* * * Transportation Program Adopted as Amended; Definitions * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) Adoption. The Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2025 budget (revised February 15, 2024), as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) Definitions. As used in this act, unless otherwise indicated:

(1) "Agency" means the Agency of Transportation.

(2) "Candidate project" means a project approved by the General Assembly that is not anticipated to have significant expenditures for preliminary engineering or right-of-way expenditures, or both, during the

budget year and funding for construction is not anticipated within a predictable time frame.

(3) "Development and evaluation (D&E) project" means a project approved by the General Assembly that is anticipated to have preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and that the Agency is committed to delivering to construction on a timeline driven by priority and available funding.

(4) "Electric vehicle supply equipment (EVSE)" and "electric vehicle supply equipment available to the public" have the same meanings as in 30 V.S.A. § 201.

(5) "Front-of-book project" means a project approved by the General Assembly that is anticipated to have construction expenditures during the budget year or the following three years, or both, with expected expenditures shown over four years.

(6) "Mileage-based user fee" or "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 $54,940,225.00 for public transit uses throughout the State. Included in the authorization are:

(A) Go! Vermont, with an authorization of $405,000.00. This authorization supports transportation demand management (TDM) strategies, including the State's Trip Planner and commuter services, to promote the use of carpools and vanpools.

(B) Mobility and Transportation Innovations (MTI) Grant Program, with an authorization of $3,500,000.00, which includes $3,000,000.00 in federal Carbon Reduction Funds. This authorization continues to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions.

(5) Rail Program. This act provides for a fiscal year expenditure of $48,746,831.00, including local funds, for intercity passenger rail service, including funding for the Ethan Allen Express and Vermonter Amtrak services, and rail infrastructure that supports freight rail as well. Moving freight by rail instead of trucks lowers greenhouse gas emissions by up to 75 percent, on average.

(6) Transformation of the State Vehicle Fleet. The Department of Buildings and General Services, which manages the State Vehicle Fleet, currently has 14 plug-in hybrid electric vehicles and 15 battery electric vehicles in the State Vehicle Fleet. In fiscal year 2025, the Commissioner of Buildings and General Services will continue to purchase and lease vehicles for State use in accordance with 29 V.S.A. § 903(g), which requires, to the maximum extent practicable, that the Commissioner purchase or lease hybrid or plug-in electric vehicles (PEVs), as defined in 23 V.S.A. § 4(85), with not less than 75 percent of the vehicles purchased or leased being hybrid or PEVs.

(7) Electric vehicle supply equipment (EVSE). This act provides for a fiscal year expenditure of $4,833,828.00 to increase the presence of EVSE in

Vermont in accordance with the State's federally approved National Electric Vehicle Infrastructure (NEVI) Plan, which will lead to the installation of Direct Current Fast Charging (DC/FC) along designated alternative fuel corridors.

(8) Vehicle incentive programs and expansion of the PEV market. Incentive Program for New PEVs, MileageSmart, Replace Your Ride, and Electrify Your Fleet. No additional monies are authorized for the State's vehicle incentive programs in this act, but it is estimated that prior appropriations of approximately the following amounts will be available in fiscal year 2025:

(A) $2,600,000.00 for the Incentive Program for New PEVs;

(B) $200,000.00 for MileageSmart; and

(C) $900,000.00 for the Replace Your Ride Program.

(9) Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Formula Program. This act provides for a fiscal year expenditure of $3,871,435.00 under the PROTECT Formula Program. This year's PROTECT Formula Program funds will support increased resiliency at three bridge sites (Coventry, Wilmington, and Shaftsbury) in alignment with the VTrans Resilience Improvement Plan.

* * * Heating Systems in Agency of Transportation Buildings * * *

Sec. 2a. 19 V.S.A. § 45 is added to read:

§ 45. HEATING SYSTEMS

(a) In accordance with the renewable energy goals set forth in the State Comprehensive Energy Plan, the Agency of Transportation shall strive to meet not less than 35 percent of its thermal energy needs from non-fossil fuel sources by 2025 and 45 percent by 2035.

(1) In order to meet these goals, the Agency will need to use more renewable fuels, such as local wood fuels, to heat its buildings and continue to increase its use of electricity that is generated from renewable sources.

(2) When building new State facilities or replacing heating equipment that has reached the end of its useful lifespan, the Agency shall prioritize switching to high-efficiency, advanced wood heating systems that rely on woody biomass.

(b) On or before October 1 every other year, the Agency shall report to the Department of Buildings and General Services the percentage of the Agency's thermal energy usage during each of the previous two fiscal years that came from fossil fuels and from non-fossil fuels. The Agency shall report its non-

fossil fuel percentage by fuel source and shall identify each type and amount of wood fuel used.

* * * Highway Maintenance * * *

Sec. 3. HIGHWAY MAINTENANCE

(a) Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Maintenance, authorized spending is amended as follows:

FY25	As Proposed	As Amended	Change
Person. Svcs.	42,757,951	42,757,951	0
Operat. Exp.	65,840,546	63,980,546	-1,860,000
Total	108,598,497	106,738,497	-1,860,000
Sources of funds			
State	107,566,483	105,706,483	-1,860,000
Federal	932,014	932,014	0
Inter Unit	100,000	100,000	0
Total	108,598,497	106,738,497	-1,860,000

(b) Restoring the fiscal year 2025 Maintenance Program appropriation and authorization to the level included in the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program shall be the top fiscal priority of the Agency.

(1) If there are unexpended State fiscal year 2024 appropriations of Transportation Fund monies, then, at the close of State fiscal year 2024, an amount up to $1,860,000.00 of any unencumbered Transportation Fund monies appropriated in 2023 Acts and Resolves No. 78, Secs. B.900–B.922, which would otherwise be authorized to carry forward, is reappropriated for the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Maintenance 30 days after the Agency sends written notification of the request for the unencumbered Transportation Fund monies to be reappropriated to the Joint Transportation Oversight Committee, provided that the Joint Transportation Oversight Committee does not send written objection to the Agency.

(2) If the Agency utilizes available federal monies in lieu of one-time Transportation Fund monies for Green Mountain Transit pursuant to Sec. 5(c) of this act, then the one-time Transportation Fund monies authorized for expenditure pursuant to Sec. 5(b) of this act that are not required for public transit may instead go towards restoring the Highway Maintenance budget.

(3) If any unencumbered Transportation Fund monies are reappropriated pursuant to subdivision (1) of this subsection or made available pursuant to subdivision (2) of this subsection, then, within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Maintenance, authorized spending is further amended to increase operating expenses by not more than $1,860,000.00 in Transportation Fund monies.

(4) Notwithstanding subdivisions (1)–(3) of this subsection, the Agency may request further amendments to the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Maintenance through the State fiscal year 2025 budget adjustment act.

* * * Town Highway Aid * * *

Sec. 4. TOWN HIGHWAY AID MONIES

Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Town Highway Aid, and notwithstanding the provisions of 19 V.S.A. § 306(a), authorized spending is amended as follows:

FY25	As Proposed	As Amended	Change
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

* * * One-Time Public Transit Monies * * *

Sec. 5. ONE-TIME PUBLIC TRANSIT MONIES; GREEN MOUNTAIN TRANSIT; FARE COLLECTION, EVALUATION, AND REORGANIZATION; REPORT

(a) Project addition. The following project is added to the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program: Increased One-Time Monies for Public Transit for Fiscal Year 2025.

(b) Authorization. Spending authority for Increased One-Time Monies for Public Transit for Fiscal Year 2025 is authorized as follows:

FY25	As Proposed	As Amended	Change
Other	0	1,000,000	1,000,000
Total	0	1,000,000	1,000,000

Sources of funds

State	0	1,000,000	1,000,000
Total	0	1,000,000	1,000,000

(c) Federal monies. The Agency shall utilize available federal monies in lieu of the authorization in subsection (b) of this section to the greatest extent practicable, provided that there is no negative impact on any local public transit providers.

(d) Implementation. The Agency shall distribute the authorization in subsection (b) of this section to Green Mountain Transit as one-time bridge funding for fiscal year 2025 while Green Mountain Transit stabilizes its finances, adjusts its service levels, and transitions to a sustainable funding model.

(e) Conditions; report. As a condition of receiving the grant funding, Green Mountain Transit shall do all of the following:

(1) begin collecting fares for urban and commuter transit service not later than June 1, 2024;

(2) in coordination with the Agency of Transportation, Special Service Transportation Agency, Rural Community Transportation, and Tri-Valley Transit, evaluate alternative options for delivering cost-effective urban fixed-route transit service, rural transit service, commuter service, and any other specialized services currently provided, and prepare a proposed implementation plan, including a three-year cost and revenue plan, for recommended service transitions; and

(3) submit to the House and Senate Committees on Transportation an interim report on or before November 15, 2024 and a final report on or before February 1, 2025, detailing the findings, recommendations, and implementation plan as described in subdivision (2) of this subsection.

* * * Agency of Transportation Duties; Bonding * * *

Sec. 6. 19 V.S.A. § 10 is amended to read:

§ 10. DUTIES

The Agency shall, except where otherwise specifically provided by law:

* * *

(9) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file an additional surety bond to the Secretary and the Secretary's successor in office, for the benefit of labor, materialmen, and others, executed by a surety company

authorized to transact business in this State~~,~~. The surety bond shall be in such sum as the Agency shall direct, conditioned for the payment, settlement, liquidation, and discharge of the claims of all creditors for material, merchandise, labor, rent, hire of vehicles, power shovels, rollers, concrete mixers, tools, and other appliances, professional services, premiums, and other services used or employed in carrying out the terms of the contract between the contractor and the State and further conditioned for the following accruing during the term of performance of the contract: the payment of taxes, both State and municipal, and contributions to the Vermont Commissioner of Labor~~, accruing during the term of performance of the contract. However~~; provided, however, in order to obtain the benefit of the security, the claimant shall file with the Secretary a sworn statement of the claimant's claim, within 90 days after the final acceptance of the project by the State or within 90 days from the time the taxes or contributions to the Vermont Commissioner of Labor are due and payable, and, within one year after the filing of the claim, shall bring a petition in the Superior Court in the name of the Secretary, with notice and summons to the principal, surety, and the Secretary, to enforce the claim or intervene in a petition already filed. The Secretary may, if the Secretary determines that it is in the best interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for $100,000.00 or less, may waive the requirement of a surety bond.

* * *

* * * Delays; Transportation Program Statute; Increased Estimated Costs; Technical Corrections * * *

Sec. 7. 19 V.S.A. § 10g is amended to read:

§ 10g. ANNUAL REPORT; TRANSPORTATION PROGRAM; ADVANCEMENTS, CANCELLATIONS, AND DELAYS

(a) Proposed Transportation Program. The Agency of Transportation shall annually present to the General Assembly for adoption a multiyear Transportation Program covering the same number of years as the Statewide Transportation Improvement Program (STIP), consisting of the recommended budget for all Agency activities for the ensuing fiscal year and projected spending levels for all Agency activities for the following fiscal years. The Program shall include a description and year-by-year breakdown of recommended and projected funding of all projects proposed to be funded within the time period of the STIP and, in addition, a description of all projects that are not recommended for funding in the first fiscal year of the proposed Program but that are scheduled for construction during the time period covered by the STIP. The Program shall be consistent with the planning process established by 1988 Acts and Resolves No. 200, as codified in

3 V.S.A. chapter 67 and 24 V.S.A. chapter 117, the statements of policy set forth in sections 10b–10f of this title, and the long-range systems plan, corridor studies, and project priorities developed through the capital planning process under section 10i of this title.

(b) Projected spending. Projected spending in future fiscal years shall be based on revenue estimates as follows:

* * *

(c) Systemwide performance measures. The Program proposed by the Agency shall include systemwide performance measures developed by the Agency to describe the condition of the Vermont transportation network. The Program shall discuss the background and utility of the performance measures, track the performance measures over time, and, where appropriate, recommend the setting of targets for the performance measures.

(d) [Repealed.]

(e) Prior expenditures and appropriations carried forward.

* * *

(f) Adopted Transportation Program. Each year following ~~enactment~~ adoption of a Transportation Program under this section, the Agency shall prepare and make available to the public the Transportation Program ~~established~~ adopted by the General Assembly. The resulting document shall be entered in the permanent records of the Agency ~~and of the Board,~~ and shall constitute the State's official Transportation Program.

(g) Project updates. The Agency's annual proposed Transportation Program shall include project updates referencing this section and listing the following:

(1) all proposed projects in the Program that would be new to the State Transportation Program ~~if adopted~~;

(2) all projects for which total estimated costs have increased by more than ~~$8,000,000.00~~ $5,000,000.00 from the estimate in the adopted Transportation Program for the prior fiscal year or by more than ~~100~~ 75 percent from the estimate in the ~~prior fiscal year's approved~~ adopted Transportation Program for the prior fiscal year; ~~and~~

(3) all projects for which the total estimated costs have, for the first time, increased by more than $10,000,000.00 from the Preliminary Plan estimate or by more than 100 percent from the Preliminary Plan estimate; and

(4) all projects funded for construction in the prior fiscal year's ~~approved~~ adopted Transportation Program that are no longer funded in the

proposed Transportation Program submitted to the General Assembly, the projected costs for such projects in the prior fiscal year's ~~approved~~ adopted Transportation Program, and the total costs incurred over the life of each such project.

(h) ~~Should~~ Project delays; emergency and safety issues; additional funding; cancellations.

(1) If capital projects in the Transportation Program ~~be~~ are delayed because of unanticipated problems with permitting, right-of-way acquisition, construction, local concern, or availability of federal or State funds, the Secretary is authorized to advance other projects in the ~~approved~~ adopted Transportation Program for the current fiscal year.

(2) The Secretary is further authorized to undertake projects to resolve emergency or safety issues that are not included in the adopted Transportation Program for the current fiscal year. Upon authorizing a project to resolve an emergency or safety issue, the Secretary shall give prompt notice of the decision and action taken to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session~~,~~ and ~~when the General Assembly is not in session,~~ to the Joint Transportation Oversight Committee, the Joint Fiscal Office, and the Joint Fiscal Committee when the General Assembly is not in session. ~~Should an approved~~

(3) If a project in the ~~current~~ adopted Transportation Program ~~require~~ for the current fiscal year requires additional funding to maintain the ~~approved~~ schedule in the adopted Transportation Program for the current fiscal year, the Agency is authorized to allocate the necessary resources. However, the Secretary shall not delay or suspend work on ~~approved~~ projects in the adopted Transportation Program for the current fiscal year to reallocate funding for other projects except when other funding options are not available. In such case, the Secretary shall notify the Joint Transportation Oversight Committee, the Joint Fiscal Office, and the Joint Fiscal Committee when the General Assembly is not in session and the House and Senate Committees on Transportation and the Joint Fiscal Office when the General Assembly is in session. With respect to projects in the approved Transportation Program, the Secretary shall notify~~, in the district affected,~~ the regional planning commission for the district where the affected project is located, the municipality where the affected project is located, the legislators for the district where the affected project is located, the House and Senate Committees on Transportation, and the Joint Fiscal Office of any change that likely will affect the fiscal year in which the project is planned to go to construction.

(4) No project shall be canceled without the approval of the General Assembly, except that the Agency may cancel a municipal project upon the request or concurrence of the municipality, provided that notice of the cancellation is included in the Agency's annual proposed Transportation Program.

(i) Economic development proposals. For the purpose of enabling the State, without delay, to take advantage of economic development proposals that increase jobs for Vermonters, a transportation project certified by the Governor as essential to the economic infrastructure of the State economy, or a local economy, may, if approval is required by law, be approved for construction by a committee comprising the Joint Fiscal Committee meeting with the ~~Chairs~~ chairs of the ~~Transportation~~ House and Senate Committees on Transportation or their designees without explicit project authorization through an ~~enacted~~ adopted Transportation Program~~, in the event that such authorization is otherwise required by law~~.

(j) Plan for advancing projects. The Agency of Transportation, in coordination with the Agency of Natural Resources and the Division for Historic Preservation, shall prepare and implement a plan for advancing ~~approved~~ 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:

* * *

* * * Appropriation Calculations * * *

* * * Central Garage Fund * * *

Sec. 8. 19 V.S.A. § 13(c) is amended to read:

(c)(1) For the purpose specified in subsection (b) of this section, the following amount, at a minimum, shall be transferred from the Transportation Fund to the Central Garage Fund:

(A) ~~in fiscal year 2021, $1,355,358.00; and~~

~~(B) in subsequent fiscal years, at a minimum,~~ the amount ~~specified in subdivision (A) of this subdivision (1) as adjusted annually by increasing~~ transferred for the previous fiscal ~~year's amount by the percentage increase in the~~ year increased by the percentage change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) ~~during the two most recently closed State fiscal years~~ if the percentage change is positive; or

(B) the amount transferred for the previous fiscal year if the percentage change is zero or negative.

* * *

(3) For purposes of subdivision (1) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the transfer will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the transfer will be made.

* * * Town Highway Aid * * *

Sec. 9. 19 V.S.A. § 306(a) is amended to read:

(a) General State aid to town highways.

(1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

(A) the ~~year-over-year increase in the two most recently closed fiscal years in~~ percentage change of the Agency's total appropriations funded by Transportation Fund revenues, excluding appropriations for town highways under this subsection (a), for the most recently closed fiscal year as compared to the fiscal year immediately preceding the most recently closed fiscal year;

or

(B) the percentage ~~increase~~ change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) ~~during the same period in subdivision (1)(A) of this subsection~~.

(2) ~~If the year-over-year change in appropriations specified in either subdivision (1)(A) or (B) of this subsection is negative, then the appropriation to town highways under this subsection shall be equal to the previous fiscal year's appropriation~~ For purposes of subdivision (1)(B) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the appropriation will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the appropriation will be made.

* * *

* * * Right-of-Way Permits; Fees * * *

Sec. 10. 19 V.S.A. § 1112 is amended to read:

§ 1112. DEFINITIONS; FEES

(a) As used in this section:

(1) "Major commercial development" means a commercial development for which the Agency requires the applicant to submit a traffic impact study in support of its application under section 1111 of this ~~title~~ chapter.

(2) "Minor commercial development" means a commercial development for which the Agency does not require the applicant to submit a traffic impact study in support of its application under section 1111 of this ~~title~~ chapter.

* * *

(b) The Secretary shall collect the following fees for each application for the following types of permits issued pursuant to section 1111 of this ~~title~~ chapter:

* * *

(3) minor commercial development: $250.00

* * *

(c) Notwithstanding subdivision (b)(3) of this section, the Secretary may waive the collection of the fee for a permit issued pursuant to section 1111 of this chapter for a minor commercial development if the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and the Secretary has

determined that the permit applicant is facing hardship, provided that the permit is applied for during the declared state of emergency or within the six months following the conclusion of the declared state of emergency.

* * * Vehicle Incentive Programs * * *

* * * Replace Your Ride Program * * *

Sec. 11. 19 V.S.A. § 2904(d)(2)(B) is amended to read:

(B) For purposes of the Replace Your Ride Program:

(i) An "older low-efficiency vehicle":

* * *

(VI) passed the annual inspection required under 23 V.S.A. § 1222 within the prior ~~year~~ 18 months.

Sec. 12. 19 V.S.A. § 2904a is added to read:

§ 2904a. REPLACE YOUR RIDE PROGRAM FLEXIBILITY; EMERGENCIES

Notwithstanding subdivisions 2904(d)(2)(A) and (d)(2)(B)(i)(IV)–(VI) of this chapter, the Agency of Transportation is authorized to waive or modify the eligibility requirements for the Replace Your Ride Program under subdivisions (d)(2)(B)(i)(IV)–(VI) that pertain to the removal of an eligible vehicle as required under subdivision 2904(d)(2)(A) of this chapter provided that:

(1) the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and, due to the event or events underlying the state of emergency, motor vehicles registered in Vermont have been damaged or totaled;

(2) the waived or modified eligibility requirements are prominently posted on any websites maintained by or at the direction of the Agency for purposes of providing information on the vehicle incentive programs;

(3) the waived or modified eligibility requirements are only applicable:

(A) upon a showing that the applicant for an incentive under the Replace Your Ride Program was a registered owner of a motor vehicle that was damaged or totaled due to the event or events underlying the state of emergency at the time of the event or events underlying the state of emergency; and

(B) for six months after the conclusion of the state of emergency; and

(4) the waiver or modification of eligibility requirements and resulting impact are addressed in the annual reporting required under section 2905 of this chapter.

* * * Electrify Your Fleet Program * * *

Sec. 13. 2023 Acts and Resolves No. 62, Sec. 21 is amended to read:

Sec. 21. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

* * *

(d) Program structure. The Electrify Your Fleet Program shall reduce the greenhouse gas emissions of persons operating a motor vehicle fleet in Vermont by structuring purchase and lease incentive payments on a first-come, first-served basis to replace vehicles other than a plug-in electric vehicle (PEV) cycled out of a motor vehicle fleet or avoid the purchase of vehicles other than a PEV for a motor vehicle fleet. Specifically, the Electrify Your Fleet Program shall:

* * *

(2) provide ~~$2,500.00~~ purchase and lease incentives up to 25 percent of the purchase price, but not to exceed $2,500.00, for:

* * *

(C) electric bicycles and electric cargo bicycles with a base MSRP of ~~$6,000.00~~ $10,000.00 or less;

(D) adaptive electric cycles with any base MSRP;

(E) electric motorcycles with a base MSRP of $30,000.00 or less; ~~and~~

(F) electric snowmobiles with a base MSRP of $20,000.00 or less; and

(G) electric all-terrain vehicles (ATVs), as defined in 23 V.S.A. § 3501 and including electric utility terrain vehicles (UTVs), with a base MSRP of $50,000.00 or less;

* * *

* * * eBike Incentives; Eligibility * * *

Sec. 14. 2023 Acts and Resolves No. 62, Sec. 22 is amended to read:

Sec. 22. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM; REPORT

* * *

(d) Reporting. The Agency of Transportation shall address incentives for electric bicycles, electric cargo bicycles, and adaptive electric cycles provided pursuant to this section in the ~~January 31, 2024~~ annual report required under 19 V.S.A. § 2905, as added by Sec. 19 of this act, including:

(1) the demographics of who received an incentive under the eBike Incentive Program;

(2) a breakdown of where vouchers were redeemed;

(3) a breakdown, by manufacturer and type, of electric bicycles, electric cargo bicycles, and adaptive electric cycles incentivized;

(4) a detailed summary of information provided in the self-certification forms and a description of the Agency's post-voucher sampling audits and audit findings, together with any recommendations to improve program design and cost-effectively direct funding to recipients who need it most; and

(5) a detailed summary of information collected through participant surveys.

* * * Annual Reporting * * *

Sec. 15. 19 V.S.A. § 2905 is amended to read:

§ 2905. ANNUAL REPORTING; VEHICLE INCENTIVE PROGRAMS

(a) The Agency shall annually evaluate the programs established under sections 2902–2904 of this chapter to gauge effectiveness and shall submit a written report on the effectiveness of the programs and the State's marketing and outreach efforts related to the programs to the House and Senate Committees on Transportation, the House Committee on Environment and Energy, and the Senate Committee on ~~Finance~~ Natural Resources and Energy on or before the 31st day of January in each year following a year that an incentive was provided through one of the programs.

(b) The report shall also include:

(1) any intended modifications to program guidelines for the upcoming fiscal year along with an explanation for the reasoning behind the modifications and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions; ~~and~~

(2) any recommendations on statutory modifications to the programs, including to income and vehicle eligibility, along with an explanation for the reasoning behind the statutory modification recommendations and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions; and

(3) any recommendations for how to better conduct outreach and marketing to ensure the greatest possible uptake of incentives under the programs.

(c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required if an incentive is provided through one of the programs unless the General Assembly takes specific action to repeal the report requirement.

* * * Authority to Transfer Monies in State Fiscal Year 2025 * * *

Sec. 16. TRANSFER OF MONIES BETWEEN VEHICLE INCENTIVE PROGRAMS IN STATE FISCAL YEAR 2025

(a) Notwithstanding 32 V.S.A. § 706 and any appropriations or authorizations of monies for vehicle incentive programs created under 19 V.S.A. §§ 2902–2904, in State fiscal year 2025 the Secretary of Transportation may transfer up to 50 percent of any remaining monies for a vehicle incentive program created under 19 V.S.A. §§ 2902–2904 to any other vehicle incentive program created under 19 V.S.A. §§ 2902–2904 that has less than $500,000.00 available for distribution as a vehicle incentive.

(b) Any transfers made pursuant to subsection (a) of this section shall be reported to the Joint Transportation Oversight Committee and the Joint Fiscal Office within 30 days after the transfer.

* * * Electric Vehicle Supply Equipment (EVSE) * * *

Sec. 17. 19 V.S.A. chapter 29 is amended to read:

CHAPTER 29. VEHICLE INCENTIVE PROGRAMS; ELECTRIC VEHICLE SUPPLY EQUIPMENT

§ 2901. DEFINITIONS

As used in this chapter:

* * *

(4) "Electric vehicle supply equipment (EVSE)" and "electric vehicle supply equipment available to the public" have the same meanings as in 30 V.S.A. § 201.

(5) "Plug-in electric vehicle (PEV)," "battery electric vehicle (BEV)," and "plug-in hybrid electric vehicle (PHEV)" have the same meanings as in 23 V.S.A. § 4(85).

* * *

§ 2906. ELECTRIC VEHICLE SUPPLY EQUIPMENT GOALS

It shall be the goal of the State to have, as practicable, level 3 EVSE charging ports available to the public:

(1) within three driving miles of every exit of the Dwight D. Eisenhower National System of Interstate and Defense Highways within the State;

(2) within 25 driving miles of another level 3 EVSE charging port available to the public along a State highway, as defined in subdivision 1(20) of this title; and

(3) co-located with or within a safe and both walkable and rollable distance of publicly accessible amenities such as restrooms, restaurants, and convenience stores to provide a safe, consistent, and convenient experience for the traveling public along the State highway system.

§ 2907. ANNUAL REPORTING; ELECTRIC VEHICLE SUPPLY EQUIPMENT

(a) Notwithstanding 2 V.S.A. § 20(d), the Agency of Transportation shall:

(1) file a report, with a map, on the State's efforts to meet its federally required Electric Vehicle Infrastructure Deployment Plan, as updated, and the goals set forth in section 2906 of this chapter with the House and Senate Committees on Transportation not later than January 15 each year until the Deployment Plan is met; and

(2) file a report on the current operability of EVSE available to the public and deployed through the assistance of Agency funding with the House and Senate Committees on Transportation not later than January 15 each year.

(b) The reports required under subsection (a) of this section can be combined when filing with the House and Senate Committees on Transportation and shall prominently be posted on the Agency of Transportation's website.

Sec. 18. REPEAL OF CURRENT EVSE MAP REPORT AND EXISTING GOALS

2021 Acts and Resolves No. 55, Sec. 30, as amended by 2022 Acts and Resolves No. 184, Sec. 4 (EVSE network in Vermont goals; report of annual map) is repealed.

* * * Beneficial Electrification Report * * *

Sec. 19. ELECTRIC DISTRIBUTION UTILITIES; EVSE-RELATED SERVICE UPGRADES; REPORT

In the report due not later than January 15, 2025, pursuant to 2021 Acts and Resolves No. 55, Sec. 33, the Public Utility Commission shall include a reporting of service upgrade practices related to the installation of electric vehicle supply equipment (EVSE) across all electric distribution utilities,

including a comparison of EVSE-related service upgrade practices, a description of the frequency and typical costs of EVSE-related service upgrades, and rate-payer impact.

* * * Expansion of Public Transit Service * * *

* * * Mobility Services Guide; Car Share * * *

Sec. 20. MOBILITY SERVICES GUIDE; ORAL UPDATE

(a) The Agency of Transportation, in consultation with existing nonprofit mobility services organizations incorporated in the State of Vermont for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership, such as through carsharing, and other nonprofit organizations working to achieve the goals of the Comprehensive Energy Plan, the Vermont Climate Action Plan, and the Agency of Transportation's community engagement plan for environmental justice, shall develop a web-page-based guide to outline the different mobility service models that could be considered for deployment in Vermont.

(b) At a minimum, the web-page-based guide required under subsection (a) of this section shall include the following:

(1) definitions of program types or options, such as car sharing, mobility for all, micro-transit, bike sharing, and other types of programs that meet the goals identified in subsection (a) of this section;

(2) information related to existing initiatives, including developmental and pilot programs, that meet any of the program types or options defined pursuant to subdivision (1) of this subsection and information related to any pertinent studies or reports, whether completed or ongoing, related to the program types or options defined pursuant to subdivision (1) of this subsection;

(3) details of other existing programs that may provide a foundation for or complement a new program in a manner that is not duplicative or competitive; and

(4) for each possible program type or option defined pursuant subdivision (1) of this subsection, additional details outlining:

(A) the range of start-up, capital, facilities, and ongoing operating and maintenance costs;

(B) the service area characteristics;

(C) the revenue capture options;

(D) technical assistance resources; and

(E) existing or potential funding resources.

(c) The Agency of Transportation shall make itself available to provide an oral update and demonstration of the web-page-based guide required under subsection (a) of this section to the House and Senate Committees on Transportation not later than February 15, 2025.

* * * Mobility and Transportation Innovations (MTI) Grant Program * * *

Sec. 21. 19 V.S.A. § 10n is added to read:

§ 10n. MOBILITY AND TRANSPORTATION INNOVATIONS (MTI) GRANT PROGRAM

(a) The Mobility and Transportation Innovations (MTI) Grant Program is created within the Public Transit Section of the Agency. The MTI Grant Program shall support innovative transportation demand management programs and transit initiatives that improve mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, reduce greenhouse gas emissions, and complement existing mobility investments.

(b) Grant awards of not more than $100,000.00 per recipient for capital or operational costs, or both, may be used to create new or expand existing programs for one or more of the following: matching funds for other grant awards; program delivery costs; or the extension of existing programs.

(c) Funding under the MTI Grant Program shall not be used to supplant existing State funding for the same project or program.

(d) In each year in which funding for grants is available:

(1) The Agency shall establish an application period of at least four months.

(2) The Agency shall provide direct assistance to entities requiring technical assistance or prereview of a draft application during the application period.

(3) Grant awards shall be distributed not later than November 30 in each year in which they are offered.

* * * Vermont Rail Plan; Amtrak * * *

Sec. 22. DEVELOPMENT OF NEW VERMONT RAIL PLAN; BICYCLE STORAGE; REPORT

(a) As the Agency of Transportation develops the new Vermont Rail Plan, it shall consider and address the following:

(1) adding additional daily service on the Vermonter for some or all of the service area; and

(2) expanding service on the Valley Flyer to provide increased service on the Vermonter route.

(b) The Agency of Transportation shall consult with Amtrak and the State-Amtrak Intercity Passenger Rail Committee (SAIPRC) on passenger education of and sufficient capacity for bicycle storage on Amtrak trains on the Vermonter and Ethan Allen Express routes.

(c) The Agency of Transportation shall provide an oral update on the development of the Vermont Rail Plan in general and the requirements of subsection (a) of this section specifically and the consultation efforts required under subsection (b) of this section to the House and Senate Committees on Transportation not later than February 15, 2025.

* * * Replacement for the Vermont State Design Standards * * *

Sec. 23. REPLACEMENT FOR THE VERMONT STATE DESIGN STANDARDS

(a) In preparing the replacement for the Vermont State Design Standards, the Agency of Transportation shall do all of the following:

(1) Release a draft of the replacement to the Vermont State Design Standards and related documents not later than January 1, 2026.

(2) Conduct not fewer than four public hearings across the State concerning the replacement to the Vermont State Design Standards and related documents.

(3) Provide a publicly available responsiveness summary detailing the public participation activities conducted in developing the final draft of the replacement for the Vermont State Design Standards and related documents, as applicable; a description of the matters on which members of the public or stakeholders, or both, were consulted; a summary of the views of the participating members of the public and stakeholders; and significant comments, criticisms, and suggestions received by the Agency and the Agency's specific responses, including an explanation of any modifications made in response.

(4) In alignment with the Vermont Transportation Equity Framework, consult directly, through a series of large-group, specialty focus groups and one-on-one meetings, with key stakeholders in order to achieve stakeholder engagement and afford a voice in the development of the replacement for the Vermont State Design Standards and related documents. At a minimum, stakeholders shall include the House and Senate Committees on

Transportation, the Federal Highway Administration (FHWA), the Vermont Agency of Commerce and Community Development (ACCD), the Vermont Agency of Natural Resources (ANR), the Vermont Department of Health (VDH), the Vermont Department of Public Service (DPS), the Vermont League of Cities and Towns (VLCT), Vermont's regional planning commissions (RPCs), the Vermont chapter of the American Association of Retired Persons (AARP), Transportation for Vermonters (T4VT), Local Motion, the Sierra Club, Conservation Law Foundation, the Vermont Natural Resources Council, the Vermont Truck and Bus Association, the Vermont Public Transportation Association (VPTA), the American Council of Engineering Companies (ACEC), the Association of General Contractors (AGC), and other stakeholders.

(b) The Agency shall provide oral updates on its progress preparing the replacement to the Vermont State Design Standards, including the process required under subsection (a) of this section, to the House and Senate Committees on Transportation not later than February 15, 2025 and February 15, 2026.

* * * Complete Streets; Traffic Calming Measures; Designated Centers * * *

Sec. 24. 19 V.S.A. §§ 2402 and 2403 are amended to read:

§ 2402. STATE POLICY

(a) Agency of Transportation funded, designed, or funded and designed projects shall seek to increase and encourage more pedestrian, bicycle, and public transit trips, with the State goal to promote intermodal access to the maximum extent feasible, which will help the State meet the transportation-related recommendations outlined in the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b and the recommendations of the Vermont Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

(b) Except in the case of projects or project components involving unpaved highways, for all transportation projects and project phases managed by the Agency or a municipality, including planning, development, construction, or maintenance, it is the policy of this State for the Agency and municipalities, as applicable, to incorporate complete streets principles that:

(1) serve individuals of all ages and abilities, including vulnerable users as defined in 23 V.S.A. § 4(81);

(2) follow state-of-the-practice design guidance; ~~and~~

(3) are sensitive to the surrounding community, including current and planned buildings, parks, and trails and current and expected transportation needs; and

(4) when desired by the municipality 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. 25. ANALYSIS AND REPORT ON SUSTAINABILITY OPTIONS; TRANSPORTATION EMISSIONS REDUCTIONS

(a) Findings of fact. The General Assembly finds:

(1) A majority of the Vermont Climate Council (VCC) voted to recommend participation in the Transportation & Climate Initiative Program (TCI-P), a regional cap-and-invest program, as a lead policy and regulatory approach to reduce emissions from the transportation sector in the Vermont Climate Action Plan (CAP), adopted in December 2021.

(2) Shortly before adoption of the CAP in December 2021, participating in TCI-P became unviable and the VCC agreed to include in the CAP that the VCC would continue work on an alternative recommendation to reduce emissions from the transportation sector in Vermont and pursue participating in TCI-P if it again became viable.

(3) An addendum to the CAP, supported by a majority of the VCC, stated that: "The only currently known policy options for which there is strong evidence from other states, provinces[,] and countries of the ability to confidently deliver the scale and pace of emissions reductions that are required of the transportation sector by the [Global Warming Solutions Act (GWSA)] are one or a combination of: a) a cap and invest/cap and reduce policy covering transportation fuels and/or b) a performance standard/performance-based regulatory approach covering transportation fuels. Importantly, based on research associated with their potential implementation, these approaches can also be designed in a cost-effective and equitable manner."

(4) The development of the State's Carbon Reduction Strategy (CRS), which is required by the Federal Highway Administration (FHWA) pursuant to the federal Infrastructure Investment and Jobs Act (IIJA) for states to access federal monies under the Carbon Reduction Program and required by the General Assembly pursuant to 2023 Acts and Resolves No. 62, Sec. 31, and the accompanying planning and public engagement process provided the Cross Section Mitigation Subcommittee of the VCC a timely opportunity to undertake additional analysis required for a potential preferred recommendation or recommendations to fill the gap in reductions of transportation emissions.

(5) The CRS, which was filed with the FHWA in November 2023, models that the State may meet its 2025 reduction requirement in the transportation sector, but that, even with additional investments for programmatic, policy, and regulatory options, the modeling shows a gap between projected "business as usual" emissions in the transportation sector and the portion of GWSA emission reduction requirements for 2030 and 2050 that are attributable to the transportation sector.

(6) The CRS reaffirms that, without adoption of additional polices, the portion of GWSA emission reduction requirements for 2030 and 2050 that are attributable to the transportation sector will not be met and states that: "Of the additional programs, a cap-and-invest and/or Clean Transportation Standard program are likely the two most promising options to close the gap in projected emissions vs. required emissions levels for the transportation sector. . . ."

(7) There remains a need for further, more detailed analysis of policy options.

(b) Written analysis. The Agency of Natural Resources, specifically the Climate Action Office, and the Agency of Transportation, in consultation with the State Treasurer; the Departments of Finance and Management, of Motor Vehicles, and of Taxes; and the VCC, including those councilors appointed by the General Assembly to provide expertise in energy and data analysis, expertise and professional experience in the design and implementation of programs to reduce greenhouse gas emissions, and representation of a statewide environmental organization as outlined in the adopted January 12, 2024 Transportation Addendum to the Climate Action Plan, shall prepare a written analysis of policy and investment scenarios to reduce emissions in the transportation sector in Vermont and meet the greenhouse gas reduction requirements of 10 V.S.A. § 578, as amended by Sec. 3 of the Global Warming Solutions Act (2020 Acts and Resolves No. 153).

(c) Scenario development. At a minimum, the written analysis required under subsection (b) of this section shall address the pros, cons, costs, and benefits of the following:

(1) Vermont participating in regional or cap-and-invest program, such as the Western Climate Initiative (WCI) and the New York Cap-and-Invest program;

(2) Vermont adopting a clean transportation fuel standard, which would be a performance standard or performance-based regulatory approach covering transportation fuels; and

(3) Vermont implementing other potential revenue-raising, carbon-pollution reduction strategies.

(d) Emission reduction scenarios; administration. The written analysis shall include an estimate of the amount of emissions reduction to be generated from a minimum of four scenarios, to include a business-as-usual, low-, medium-, and high-greenhouse gas emissions reduction, analyzed under subsection (c) of this section and a summary of how each proposal analyzed under subsection (c) of this section would be administered.

(e) Revenue and cost estimate; timeline. The written analysis completed pursuant to subsections (b)–(d) of this section shall be provided to the State Treasurer to review cost and revenue projections for each scenario. The State Treasurer shall make a written recommendation to the General Assembly regarding any viable approaches.

(f) Public access; committees; due date.

(1) The Climate Action Office shall maintain a publicly accessible website with information related to the development of the written analysis required under subsection (b) of this section.

(2) The Agencies of Natural Resources and of Transportation, in consultation with the State Treasurer, shall file a status update on the development of the written analysis required under subsection (b) of this section with the House and Senate Committees on Transportation, the House Committees on Environment and Energy and on Ways and Means, and the Senate Committees on Finance and on Natural Resources and Energy not later than November 15, 2024.

(3) The Agencies of Natural Resources and of Transportation, in consultation with the State Treasurer, shall file the written analysis required under subsection (b) of this section and the State Treasurer's written recommendation to the General Assembly regarding any viable approaches required under subsection (e) of this section with the House and Senate Committees on Transportation, the House Committees on Environment and Energy and on Ways and Means, and the Senate Committees on Finance and on Natural Resources and Energy not later than February 15, 2025.

(g) Use of consultant. The Agencies of Natural Resources and of Transportation shall retain a consultant that is an expert in comprehensive transportation policy with a core focus on emission reductions and economic modeling to undertake the analysis and to provide the State Treasurer with any additional information needed to inform the State Treasurer's recommendations regarding any viable approaches required under subsections (b)–(e) of this section.

(h) Costs.

(1) If the costs of the consultant required under subsection (g) of this section are eligible expenditures under the U.S. Environmental Protection Agency's (EPA) Climate Pollution Reduction Grants (CPRG) program, then that shall be the source of funding to cover the costs of the consultant required under subsection (g) of this section.

(2) The State Treasurer may use funds appropriated in State fiscal year 2025 to complete the work required under subsection (e) of this section, including administrative costs and third-party consultation.

* * * Better Connections Grant Program * * *

Sec. 26. 19 V.S.A. § 319 is added to read:

§ 319. BETTER CONNECTIONS GRANT PROGRAM

(a) The Better Connections Grant Program is created and shall be administered and staffed by the Policy, Planning and Research Bureau of the Agency in collaboration with the Agency of Commerce and Community Development and the Agency of Natural Resources.

(b) The Program shall be funded through appropriations to the Agency for policy, planning, and research.

(c) The Program shall provide planning grants to aid municipalities to coordinate municipal land use decisions with transportation investments that build community resilience to:

(1) provide a safe, multimodal, and resilient transportation system that supports the Vermont economy;

(2) support downtown and village economic development and revitalization efforts; and

(3) lead directly to project implementation demonstrated by municipal capacity and readiness to implement.

* * * Electric and Plug-In Hybrid Vehicles; EV Infrastructure Fee * * *

Sec. 27. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

(a) The annual registration fee for a pleasure car, as defined in subdivision 4(28) of this title, ~~and~~ including a pleasure car that is a plug-in electric vehicle, as defined in subdivision 4(85) of this title, shall be $89.00, and the biennial fee shall be $163.00.

(b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section.

(c) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual EV infrastructure fee for a pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision 4(85)(B) of this title, equal to one-half the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to the annual fee collected in subsection (a) of this section.

(d) The annual and biennial EV infrastructure fees collected in subsections (b) and (c) of this section shall be allocated to the Transportation Fund for the purpose of increasing Vermonters' access to electric vehicle supply equipment (EVSE) charging ports through a program or programs selected by the Secretary, which may include programs administered by the Agency of Commerce and Community Development.

Sec. 28. EV INFRASTRUCTURE FEE; ELECTRIC VEHICLES

The Department of Motor Vehicles shall implement a public outreach campaign regarding EV infrastructure fees for battery electric vehicles and plug-in electric hybrid vehicles not later than October 1, 2024. The campaign shall disseminate information on the Department's web page and through other outreach methods.

Sec. 29. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

* * *

(b) ~~In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section.~~ [Repealed.]

* * *

(d) The annual and biennial EV infrastructure fees collected in ~~subsections (b) and~~ subsection (c) of this section shall be allocated to the Transportation Fund ~~for the purpose of increasing Vermonters' access to electric vehicle supply equipment (EVSE) charging ports through a program or programs~~

~~selected by the Secretary, which may include programs administered by the Agency of Commerce and Community Development~~.

* * * Central Garage; Authority to Purchase Real Property * * *

Sec. 30. CENTRAL GARAGE; REAL PROPERTY; FACILITY DESIGN; AUTHORITY

(a) Pursuant to 19 V.S.A. § 26(b), the Secretary of Transportation is authorized to use up to $2,000,000.00 in Central Garage Fund reserve funds for the purpose of purchasing real property on which to site a new Central Garage.

(b) Notwithstanding 19 V.S.A. § 13(a), the Secretary may use Central Garage Fund reserve funds for design services necessary to construct a new Central Garage on the site; provided, however, that the Secretary shall collaborate with the municipality in which the new Central Garage is to be located regarding the design and construction of the facility.

* * * Railroad Leases * * *

Sec. 31. 5 V.S.A. § 3405 is amended to read:

§ 3405. LEASE FOR CONTINUED OPERATION

(a) The Secretary, as agent for the State, ~~with the approval of the Governor and the General Assembly or, if the General Assembly is not in session, approval of a special committee consisting of the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Transportation,~~ is authorized to lease or otherwise arrange for the continued operation of all or any State-owned railroad property to any responsible person, provided that approval for the operation, if necessary, is granted by the federal Surface Transportation Board under 49 C.F.R. Part 1150 (certificate to construct, acquire, or operate railroad lines). The transaction shall be subject to any further terms and conditions as in the opinion of the Secretary are necessary and appropriate to accomplish the purpose of this chapter.

(b) To preserve continuity of service on State-owned railroads, the Secretary may enter into a short-term lease or operating agreement, for a term not to exceed six months, with a responsible railroad operator. ~~Within 10 days of entering into any lease or agreement, the Secretary shall report the details of the transaction to the members of the House and Senate Committees on Transportation.~~

(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. 32. 23 V.S.A. § 1025 is amended to read:

§ 1025. STANDARDS

(a) The U.S. Department of Transportation Federal Highway Administration's Manual on Uniform Traffic Control Devices for Streets and Highways (MUTCD) ~~for streets and highways,~~ as amended, shall be the standards for all traffic control signs, signals, and markings within the State. Revisions to the MUTCD shall be adopted according to the implementation or compliance dates established in federal rules.

(b) ~~The latest revision of the MUTCD shall be adopted upon its effective date except in the case of~~ To the extent consistent with federal law, projects beyond a preliminary state of design that are anticipated to be constructed within two years of the otherwise applicable effective date~~; such projects~~ may be constructed according to the MUTCD standards applicable at the design stage.

(c) Existing signs, signals, and markings shall be valid until such time as they are replaced or reconstructed. When new traffic control devices are erected or placed or existing traffic control devices are replaced or repaired, the equipment, design, method of installation, placement, or repair shall conform with the MUTCD.

~~(b)~~(d) The standards of the MUTCD shall apply for both State and local authorities as to traffic control devices under their respective jurisdiction.

~~(c)~~(e) Traffic and control signals at intersections with exclusive pedestrian walk cycles shall be of sufficient duration to allow a pedestrian to leave the curb and travel across the roadway before opposing vehicles receive a green light. Determination of the length of the signal shall take into account the circumstances of persons with ambulatory disabilities.

* * * Reporting Requirements; Repeal * * *

Sec. 33. 19 V.S.A. § 7(k) is amended to read:

(k) ~~Upon being apprised of the enactment of a federal law that makes provision for a federal earmark or the award of a discretionary federal grant for a transportation project within the State of Vermont, the Agency shall promptly notify the members of the House and Senate Committees on Transportation and the Joint Fiscal Office. Such notification shall include all available summary information regarding the terms and conditions of the~~

~~federal earmark or grant. As used in this section, "federal earmark" means a congressional designation of federal aid funds for a specific transportation project or program. When the General Assembly is not in session, upon obtaining the approval of the Joint Transportation Oversight Committee, the Agency is authorized to add new projects to the Transportation Program in order to secure the benefits of federal earmarks or discretionary grants.~~ [Repealed.]

Sec. 34. 19 V.S.A. § 42 is amended to read:

§ 42. REPORTS PRESERVED~~; CONSOLIDATED TRANSPORTATION REPORT~~

~~(a)~~ Notwithstanding 2 V.S.A. § 20(d), the reports or reporting requirements of ~~this section,~~ sections 10g and 12a~~,~~ and subsections ~~7(k),~~ 10b(d), 11f(i), and 12b(d) of this title shall be preserved absent specific action by the General Assembly repealing the reports or reporting requirements.

~~(b) Annually, on or before January 15, the Agency shall submit a consolidated transportation system and activities report to the House and Senate Committees on Transportation. The report shall consist of:~~

~~(1) Financial and performance data of all public transit systems, as defined in 24 V.S.A. § 5088(6), that receive operating subsidies in any form from the State or federal government, including subsidies related to the Elders and Persons with Disabilities Transportation Program for service and capital equipment. This component of the report shall:~~

~~(A) be developed in cooperation with the Public Transit Advisory Council;~~

~~(B) be modeled on the Federal Transit Administration's National Transit Database Program with such modifications as appropriate for the various services and guidance found in the most current State policy plan; and~~

~~(C) show as a separate category financial and performance data on the Elders and Persons with Disabilities Transportation Program.~~

~~(2) Data on pavement conditions of the State highway system.~~

~~(3) A description of the conditions of bridges, culverts, and other structures on the State highway system and on town highways.~~

~~(4) Department of Motor Vehicles data, including the number of vehicle registrations and licenses issued, revenues by category, transactions by category, commercial motor vehicle statistics, and any other information the Commissioner deems relevant.~~

~~(5) A summary of updates to the Agency's strategic plans and performance measurements used in its strategic plans.~~

~~(6) A summary of the statuses of aviation, rail, and public transit programs.~~

~~(7) Data and statistics regarding highway safety, including trends in vehicle crashes and fatalities, traffic counts, and trends in vehicle miles traveled.~~

~~(8) An overview of operations and maintenance activities, including winter maintenance statistics.~~

~~(9) A list of projects for which the construction phase was completed during the most recent construction season.~~

~~(10) Such other information that the Secretary determines the Committees on Transportation need to perform their oversight role.~~

* * * MileageSmart; Income Eligibility * * *

Sec. 34a. 19 V.S.A. § 2903 is amended to read:

§ 2903. MILEAGESMART

(a) Creation; administration.

(1) There is created a used high fuel efficiency vehicle incentive program, which shall be administered by the Agency of Transportation and known as MileageSmart.

(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of MileageSmart.

(b) Program structure. MileageSmart shall structure high fuel efficiency purchase incentive payments by income to help all Vermonters benefit from more efficient driving and reduced greenhouse gas emissions, including Vermont's most vulnerable. Specifically, MileageSmart shall:

(1) apply to purchases of used high fuel-efficient motor vehicles, which for purposes of this program shall be pleasure cars with a combined city/highway fuel efficiency of at least 40 miles per gallon or miles-per-gallon equivalent as rated by the Environmental Protection Agency when the vehicle was new; and

(2) provide not more than one point-of-sale voucher worth up to $5,000.00 to an individual who is a member of a household with an adjusted gross income that is at or below 80 percent of the State median income; provided, however, that the Agency of Transportation may reduce the income eligibility threshold based on available funding or applicant volume, or both, in order to prioritize vouchers for households with lower income.

* * *

* * * Effective Dates * * *

Sec. 35. EFFECTIVE DATES

(a) This section, Sec. 30 (central garage; purchase of real property), and Sec. 31 (railroad leases; 5 V.S.A. § 3405) shall take effect on passage.

(b) Sec. 27 (electric vehicle road usage surcharge; 23 V.S.A. § 361) shall take effect on passage and shall be fully implemented not later than January 1, 2025.

(c) Sec. 29 (amendments to electric vehicle road usage surcharges; 23 V.S.A. § 361) shall take effect on the effective date of a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A).

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

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. Coffey of Guilford** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Coffey of Guilford
Rep. Shaw of Pittsford
Rep. Corcoran of Bennington

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Recess

At ten o'clock and forty-four minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

Called to Order

At one o'clock and fourteen minutes in the afternoon, the Speaker called the House to order.

Message from the Senate No. 54

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

H. 350. An act relating to the Uniform Directed Trust Act.

H. 884. An act relating to the modernization of governance for the St. Albans Cemetery Association.

And has passed the same in concurrence.

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

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 passed the same in concurrence with proposals of amendment in the adoption of which the concurrence of the House is requested.

The Senate has on its part adopted joint resolution of the following title:

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

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

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

S. 189. An act relating to mental health response service guidelines and social service provider safety.

And has concurred therein.

Second Reading; House Resolution Amended; Third Reading Ordered

H.R. 18

Rep. McCarthy of St. Albans City, for the Committee on Government Operations and Military Affairs, to which had been referred House resolution, entitled

House resolution calling on Franklin County Sheriff John Grismore to resign from office

Reported in favor of its adoption when amended by striking out all of the Whereas and Resolved clauses in their entireties and inserting in lieu thereof the following:

Whereas, House Resolution 11 of 2023 created the Special Committee on Impeachment Inquiry to investigate whether sufficient grounds exist for the

House of Representatives to exercise its constitutional power to impeach Franklin County Sheriff John Grismore, and

Whereas, the Special Committee met five times during the autumn of 2023 and interviewed 26 witnesses in the matter of John Grismore, and

Whereas, on August 7, 2022, Mr. Grismore was involved in a widely publicized use-of-force incident during which he kicked a shackled man who was in the custody of the Franklin County Sheriff's Office, and

Whereas, significant concerns have been raised over Mr. Grismore's potential mishandling of financial matters in the Franklin County Sheriff's Office and regarding the Franklin County Sheriff's Office's performance under its law enforcement contracts with municipalities, and

Whereas, while there is no specific standard in the Vermont Constitution or in U.S. history for what constitutes impeachable conduct, the recurring theme throughout most or all impeachments is conduct that undermines the position of trust to which the official has been elected, which may include improperly exceeding or abusing the powers of office, behaving in a manner that is incompatible with the function and purpose of the office, or misusing the office for an improper purpose or for personal gain, and

Whereas, Mr. Grismore paid himself $16,550.14 for his retirement compensation between December 2021 and July 2022, requiring the Franklin County Sheriff's Office to provide the Vermont State Employees' Retirement System with $20,232.02 in January 2023 to restore the employer and employee contributions owed to the State pension system, and

Whereas, on December 6, 2023, the Vermont Criminal Justice Council found, by a unanimous 16–0 vote, that Mr. Grismore had engaged in unprofessional conduct through his excessive use of force in violation of the Statewide Policy on Police Use of Force and, by a subsequent 15–1 vote, imposed its highest sanction by permanently revoking Mr. Grismore's law enforcement officer certification, and

Whereas, Vermont law enforcement officer certification is essential for the performance of many of the duties of the office of Sheriff, including proper supervision of deputies, but the Vermont Constitution does not require such a qualification for holding the office, and the legal precedents are quite clear that a state legislature cannot impose qualifications for election to a constitutional office that go beyond those expressed in the state's own constitution, and

Whereas, the excessive use-of-force incident and the inappropriate retirement payments, which are the most concerning conduct identified by the Special Committee on Impeachment Inquiry, occurred prior to the election of Mr. Grismore to the office of Sheriff, and

Whereas, only in rare circumstances should an elected official be impeached for pre-incumbency conduct, and such circumstances do not exist in the matter of Mr. Grismore, now therefore be it

Resolved by the House of Representatives:

That while this legislative body does not find articles of impeachment to be appropriate at this time, this legislative body urges Mr. Grismore to resign from the Office of Franklin County Sheriff for the good of the people of Franklin County, and be it further

Resolved: That the Clerk of the House be directed to send a copy of this resolution to John Grismore.

The resolution, having appeared on the Notice Calendar, was taken up and read the second time, the report of the Committee on Government Operations and Military Affairs agreed to, and third reading ordered.

Bill Committed

S. 192

Senate bill, entitled

An act relating to forensic facility admissions criteria and processes

Was taken up and, pending second reading, on motion of **Rep. Donahue of Northfield**, the bill was committed to the Committee on Judiciary.

Favorable Reports; Second Reading; Third Reading Ordered

S. 120

Rep. Stone of Burlington, for the Committee on Education, to which had been referred Senate bill, entitled

An act relating to postsecondary schools and sexual misconduct protections

Reported in favor of its passage in concurrence.

Rep. Mihaly of Calais, for the Committee on Appropriations, reported in favor of its passage in concurrence.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and third reading was ordered.

Favorable Report; Second Reading; Third Reading Ordered

S. 196

Rep. Notte of Rutland City, for the Committee on Judiciary, to which had been referred Senate bill, entitled

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

Reported in favor of its passage in concurrence.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and third reading ordered.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 184

Rep. Pouech of Hinesburg, for the Committee on Transportation, to which had been referred Senate bill, entitled

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

Reported in favor of its passage in concurrence with proposal of amendment 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

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.

(l) 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.

~~(c)~~(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 ~~(c)(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.

Rep. Mattos of Milton, for the Committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Transportation.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Transportation agreed to, and third reading ordered.

Senate Proposal of Amendment Concurred in

H. 629

The Senate proposed to the House to amend House bill, entitled

An act relating to changes to property tax abatement and tax sales

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

* * * Municipal Tax Abatement * * *

Sec. 1. 24 V.S.A. § 1535 is amended to read:

§ 1535. ABATEMENT

(a) The board may abate in whole or part taxes, water charges, sewer charges, interest, ~~or~~ collection fees, or any other municipal charges or fees for utilities or services, or any combination of those, other than those arising out of a corrected classification of homestead or nonhomestead property, accruing to the town in the following cases:

(1) taxes or charges of persons who have died insolvent;

(2) taxes or charges of persons who have moved from the State;

(3) taxes or charges of persons who are unable to pay their taxes or charges, interest, and collection fees;

(4) taxes in which there is ~~manifest~~ a clear or obvious error or a mistake of the listers;

(5) taxes or charges upon real or personal property lost or destroyed during the tax year;

(6) the exemption amount available under 32 V.S.A. § 3802(11) to persons otherwise eligible for exemption who file a claim on or after May 1 but before October 1 due to the claimant's sickness or disability or other good cause as determined by the board of abatement; but that exemption amount shall be reduced by 20 percent of the total exemption for each month or portion of a month the claim is late filed;

(7) [Repealed.]

(8) [Repealed.]

(9) taxes or charges upon a mobile home moved from the town during the tax year as a result of a change in use of the mobile home park land or parts thereof or closure of the mobile home park in which the mobile home was sited, pursuant to 10 V.S.A. § 6237; or

(10) sewer, water, utility, or service charges caused by circumstances that were difficult to foresee or outside of the person's control.

(b) The board's abatement of an amount of tax or charge shall automatically abate any uncollected interest and fees relating to that amount.

(c) The board shall, in any case in which it abates taxes or charges, interest, or collection fees accruing to the town or denies an application for abatement, state in detail in writing the reasons for its decision. The written decision shall provide sufficient explanation to indicate to the parties what was considered and what was decided. The decision shall address the arguments raised by the applicant. Prior to issuing a written decision, the board may request additional relevant information or documentation related to the case.

(d)(1) The board may order that any abatement as to an amount or amounts already paid be in the form of a refund or in the form of a credit against the tax or charge for the next ensuing tax year or charge billing cycle and for succeeding tax years or billing cycles if required to use up the amount of the credit.

(2) Whenever a municipality votes to collect interest on overdue taxes pursuant to 32 V.S.A. § 5136, interest in a like amount shall be paid by the municipality to any person for whom an abatement has been ordered.

(3) Interest on taxes or charges paid and subsequently abated shall accrue from the date payment was due or made, whichever is later. However, abatements issued pursuant to subdivision (a)(5) of this section need not include the payment of interest.

(4) When a refund has been ordered, the board shall draw an order on the town treasurer for payment of the refund.

(e)(1) The board may hear a group of similar requests for abatement as a class, provided that:

(A) the board has first met and established a class in accordance with this subsection (e);

(B) the requests shall arise from the same cause or event;

(C) the requests relate to the bases for abatement in subdivision (a)(4), (5), or (9) of this section;

(D) the board shall group requests based on property classification;

(E) the board shall provide notice to each taxpayer of the taxpayer's status as a member of the class; and

(F) a taxpayer shall have the right to decline the taxpayer's status as a member of the class and pursue the taxpayer's request as a separate action before the board.

(2) The board shall provide notice to each taxpayer at minimum 21 days before the scheduled hearing for the class. The notice shall include a description of the class and the board's reasons for grouping the requests, an explanation of the taxpayer's status as a member of the class, the procedure for appealing a board decision, the taxpayer's right to decline class membership and pursue a separate action, and any deadlines that the taxpayer must meet in order to participate as a member of the class or pursue a separate action.

(3) A taxpayer shall notify the board of the taxpayer's intent to pursue a separate action, pursuant to subdivision (1)(F) of this subsection, a minimum of seven days before the board's hearing to consider a class request.

(4) A board may preserve and take notice of any evidence supporting the basis for abatement for a class and use that evidence for purposes of a later, separate action pursued by an individual taxpayer.

(5) In instances where a board abates in part taxes, charges, interest, or collection fees for a class, the board shall not render a decision that results in disproportionate rates of abatement for taxpayers within the class.

(f) A municipality shall provide clear notice to a taxpayer of the ability to request tax abatement, and how to request abatement, at the same time as a municipality attempts to collect a municipal fee or interest for delinquent taxes, water charges, sewer charges, or tax collection.

(g) The legislative body of a municipality by a majority vote may abate de minimis amounts of taxes for purposes of reconciling municipal accounts according to generally accepted accounting principles.

Sec. 2. 24 V.S.A. § 5144 is amended to read:

§ 5144. UNIFORM NOTICE FORM

The notice form required under section 5143 of this chapter, shall be clearly printed on a pink colored sheet of paper~~,~~ and shall be according to the following form:

* * *

ABATEMENT AND POSSIBLE REDUCTION IN CHARGES—You may be able to receive a reduction of charges, penalties, or interest through municipal abatement. To seek this reduction in charges from the Board of Abatement, contact the municipal clerk by mail, phone, or e-mail:

(Name of Clerk of Board of Abatement)

(Name of Town, City, or Village)

(Address of Office)

(Mailing Address)

or by calling:

(Telephone Number)

or by e-mailing:

(E-mail Address)

* * * Property Tax Credit * * *

Sec. 3. 32 V.S.A. § 6065 is amended to read:

§ 6065. FORMS; TABLES; NOTICES

(a) In administering this chapter, the Commissioner shall provide suitable claim forms with tables of allowable claims, instructions, and worksheets for claiming a homestead property tax credit.

(b) Prior to June 1, the Commissioner shall also prepare and supply to each town in the State notices describing the homestead property tax credit~~,~~ for inclusion in property tax bills. The notice shall be in simple, plain language

and shall explain how to file for a property tax credit, where to find assistance filing for a credit, and any other related information as determined by the Commissioner. The notice shall direct taxpayers to a resource where they can find versions of the notice translated into the five most common non-English languages in the State. A town shall include such notice in each tax bill and notice of delinquent taxes that it mails to taxpayers who own in that town a ~~homestead as defined in subdivision 5401(7) of this title~~ residential property, without regard for whether the property was declared a homestead pursuant to subdivision 5401(7) of this title.

(c) Notwithstanding the provisions of subsection (b) of this section, towns that use envelopes or mailers not able to accommodate notices describing the homestead tax credit may distribute such notices in an alternative manner.

* * * Tax Sale of Real Property * * *

Sec. 4. 32 V.S.A. § 5252 is amended to read:

§ 5252. LEVY AND NOTICE OF SALE; SECURING PROPERTY

(a) When the collector of taxes of a town or of a municipality within it has for collection a tax assessed against real estate in the town and the taxpayer is delinquent for a period longer than one year, the collector may extend a warrant on such land. However, no warrant shall be extended until a delinquent taxpayer is given an opportunity to enter a written reasonable repayment plan pursuant to subsection (c) of this section. If a collector receives notice from a mobile home park owner pursuant to 10 V.S.A. § 6248(b), the collector shall, within 15 days after the notice, commence tax sale proceedings to hold a tax sale within 60 days after the notice. If the collector fails to initiate such proceedings, the town may initiate tax sale proceedings only after complying with 10 V.S.A. § 6249(f). If the tax collector extends the warrant, the collector shall:

(1) File in the office of the town clerk for record a true and attested copy of the warrant and so much of the tax bill committed to the collector for collection as relates to the tax against the delinquent taxpayer, a sufficient description of the land so levied upon, and a statement in writing that by virtue of the original tax warrant and tax bill committed to the collector for collection, the collector has levied upon the described land.

(2) Advertise forthwith such land for sale at public auction in the town where it lies three weeks successively in a newspaper circulating in the vicinity, the last publication to be at least 10 days before such sale.

(3) Give the delinquent taxpayer written notice by certified mail requiring a return receipt directed to the last known address of the delinquent of the date and place of such sale at least ~~10~~ 30 days prior thereto if the

delinquent is a resident of the town and ~~20~~ 30 days prior thereto if the delinquent is a nonresident of the town. If the notice by certified mail is returned unclaimed~~,~~:

(A) notice shall be provided to the taxpayer by resending the notice by first-class mail or by personal service pursuant to Rule 4 of the Vermont Rules of Civil Procedure; and

(B) notice shall be provided by e-mail, provided the tax collector can acquire the e-mail address of the delinquent taxpayer using reasonable effort; and

(C) notice shall be affixed to the front door of the property subject to tax sale, provided it has a structure.

(4) Give to the mortgagee or lien holder of record written notice of such sale at least ~~10~~ 30 days prior thereto if a resident of the town and, if a nonresident, ~~20~~ 30 days' notice to the mortgagee or lien holder of record or ~~his or her~~ the mortgagee's or lien holder's agent or attorney by certified mail requiring a return receipt directed to the last known address of such person. If the notice by certified mail is returned unclaimed, notice shall be provided by resending the notice by first-class mail or by personal service pursuant to Rule 4 of the Vermont Rules of Civil Procedure.

(5) Post a notice of such sale in some public place in the town.

(6) Enclose the following statement, with directions to a resource translating the notice into the five most common non-English languages used in this State, with the notices required under subdivisions (3) and (4) of this subsection and with every delinquent tax notice:

Warning: There are unpaid property taxes at (address of property), which you may own, have a legal interest, or may be contiguous to your property. The property will be sold at public auction on (date set for sale) unless the overdue taxes, fees, and interest in the amount of (dollar amount due) is paid. To make payment or receive further information, contact (name of tax collector) immediately at (office address), (mailing address), (e-mail address), or (telephone number).

(7) The resource for translation of the notice required under subdivision (6) of this subsection shall be made available to all municipalities by the Vermont Department of Taxes.

(b)(1) If the warrant and levy for delinquent taxes has been recorded pursuant to subsection (a) of this section, the municipality in which the real estate lies may secure the property against illegal activity and potential fire

hazards after giving the mortgagee or lien holder of record written notice at least 10 days prior to such action.

(2) Notwithstanding any provision of this section to the contrary, when a warrant and levy for delinquent taxes has been recorded pursuant to subsection (a) of this section, it shall be for all delinquent taxes due at the time the warrant and levy is filed.

(c)(1) A municipality shall not initiate a tax sale proceeding until it has, after attempting to consult with the taxpayer, offered a delinquent taxpayer a written reasonable repayment plan and the taxpayer has either denied the offer, failed to respond within 30 days, or failed to make a payment under the plan within the time frame established by the collector. When establishing a plan under this subsection, the municipality may request related information and shall consider the following:

(A) the income and income schedule of the taxpayer, if offered by the taxpayer;

(B) the taxpayer's tax payment history with the municipality;

(C) the amount of tax debt owed to the municipality;

(D) the amount of time tax has been delinquent; and

(E) the taxpayer's reason for the delinquency, if offered by the taxpayer.

(2) A collector is only required to offer one payment plan per delinquency, without regard for whether it is agreed to by the delinquent taxpayer.

(3) A collector may void a payment plan and proceed to tax sale if a delinquent taxpayer agrees to a payment plan under this subsection and fails to make a timely payment.

Sec. 5. 32 V.S.A. § 5253 is amended to read:

§ 5253. FORM OF ADVERTISEMENT AND NOTICE OF SALE

The form of advertisement and notice of sale provided for in section 5252 of this title shall be substantially in the following form:

The resident and nonresident owners, lien holders, and mortgagees of lands in the town of _____ in the county of _____ are hereby notified that the taxes assessed by such town for the years _____ (insert years the taxes are unpaid) _____ remain, either in whole or in part, unpaid on the following described lands in such town, to wit,

_____

_____

(insert description of lands)

and so much of such lands will be sold at public auction at _____ a public place in such town, on the _____ day of _____ (month), _____ (year) at _____ o'clock ____ (am/pm), as shall be requisite to discharge such taxes with costs and fees, unless previously paid.

Be advised that the owner or mortgagee, or the owner's or mortgagee's representatives or assigns, of lands sold for taxes shall have a right to redemption for a period of one year from the date of sale pursuant to 32 V.S.A. § 5260.

Dated at _____, Vermont, this _____ day of _____ (month), ____ (year).

_____

Collector of Town Taxes

Sec. 6. 32 V.S.A. § 5260 is amended to read:

§ 5260. REDEMPTION

(a) When the owner, lien holder, or mortgagee of lands sold for taxes, ~~his or her~~ the owner's, lien holder's, or mortgagee's representatives or assigns, within one year from the day of sale, pays or tenders to the collector who made the sale or in the case of ~~his or her~~ the collector's death or removal from the town where the land lies, to the town clerk of such town, the sum for which the land was sold with interest thereon calculated at a rate of one percent per month or fraction thereof from the day of sale to the day of payment, a deed of the land shall not be made to the purchaser, but the money paid or tendered by the owner, lien holder, or mortgagee or ~~his or her~~ the owner's, lien holder's, or mortgagee's representatives or assigns to the collector or town clerk shall be paid over to such purchaser on demand. In the event that a municipality purchases contaminated land pursuant to section 5259 of this title, the cost to redeem shall include all costs expended for assessment and remediation, including expenses incurred or authorized by any local, State, or federal government authority.

(b) During the redemption period, the tax collector shall:

(1) Serve the delinquent taxpayer with the written notice required under subsection (c) of this section between 90 and 120 days prior to the end of the redemption period using certified mail requiring a return receipt, directed to the last known address of the delinquent taxpayer. If the notice by certified mail is returned unclaimed, notice shall be provided by resending the notice by

first-class mail or by personal service pursuant to Rule 4 of the Vermont Rules of Civil Procedure.

(2) Post the notice in some public place in the municipality between 90 and 120 days prior to the end of redemption period.

(c) The tax collector shall enclose the following statement, with directions to a resource translating the notice into the five most common non-English languages used in this State, with every notice required under this section:

Warning: There are unpaid property taxes at (address of property), which you may own, have a legal interest in, or may be contiguous to your property. The property was sold at public auction on (date). Unless the overdue taxes, fees, and interest are paid by (last day of redemption period), the deed to the property will transfer to purchaser. To redeem the property and avoid losing your legal interest, you must pay (dollar amount due for redemption). The amount you must pay to redeem the property increases every month due to interest, mailing costs, and other costs. To make payment or receive further information, contact (name of tax collector) immediately at (office address), (mailing address), (e-mail address), and (telephone number).

(d) The resource for translation of the notice required under subsection (c) of this section shall be made available to all municipalities by the Vermont Department of Taxes.

Sec. 7. WORKING GROUP ON VERMONT'S ABATEMENT AND TAX SALE PROCESSES

(a) Creation. There is created the Working Group on Vermont's Abatement and Tax Sale Processes to assess how Vermont may balance fairness for delinquent taxpayers with the needs of municipalities.

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

(1) a representative, appointed by Vermont Legal Aid;

(2) a representative, appointed by the Vermont League of Cities and Towns;

(3) a representative, appointed by the Vermont Banker's Association;

(4) a representative, appointed by the Vermont Housing Finance Agency;

(5) a representative, appointed by the Vermont Municipal Clerk's and Treasurer's Associations;

(6) a representative, appointed by the Neighborworks Alliance of Vermont;

(7) a representative, appointed by the Champlain Valley Office of Economic Opportunity Mobile Home Project;

(8) a representative, appointed by the Vermont Assessors and Listers Association; and

(9) a representative, appointed by the Vermont Bar Association, with experience practicing real estate law.

(c) Powers and duties. The Working Group shall offer recommendations relating to the following:

(1) whether the State should change the law to allow a delinquent taxpayer whose property is transferred by a tax collector's deed, or a tax-lien foreclosure sale, to recoup all or part of the equity in the taxpayer's property in excess of the tax debt, fees, and interest for which the taxpayer's property is sold;

(2) whether further changes are needed to standardize the abatement process across Vermont municipalities;

(3) whether the State should require a minimum amount of tax debt before a tax sale can be initiated;

(4) whether the State should allow a tax sale to be initiated for blighted or dilapidated real estate that has been abandoned when taxes are delinquent for less than one year;

(5) a reasonable percent rate of monthly interest paid by delinquent taxpayers during the redemption period;

(6) whether the purchaser of a property at a tax sale should be allowed to secure the property against illegal activity, damage from exposure to the elements, deterioration, and potential fire prior to acquiring title to the property; and

(7) a process for statewide collection of data relating to tax sales, including to whom the data could be reported, the values of properties sold at tax sales, the amounts and types of debts underlying tax sales, and descriptive data for properties subject to tax sales.

(d) Report. On or before December 15, 2024, the Working Group shall submit a written report to the House Committee on Ways and Means, House Committee on Government Operations and Military Affairs, Senate Committee on Finance, and Senate Committee on Government Operations with its

findings and any recommendations for legislative action, including proposed legislative language.

(e) Compensation. Members shall not be compensated for participation in the Working Group.

(f) Meetings.

(1) The representative appointed by Vermont Legal Aid shall call the first meeting of the Working Group to occur on or before August 1, 2024.

(2) The Working Group shall elect a chair from among its members at the first meeting.

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

(4) The Working Group shall cease to exist on June 30, 2025.

Sec. 8. APPLICATION OF CHANGES MADE BY THIS ACT

(a) The amendments to 32 V.S.A. § 5252 made by Sec. 4 of this act (notice of sale) shall not apply to a property that was subject to a notice of sale prior to the effective date of this act.

(b) The amendments to 32 V.S.A. § 5260 made by Sec. 6 of this act (redemption) shall not apply to a property that has been sold at tax sale prior to the effective date of this act, except that, notwithstanding any provision of 1 V.S.A. § 214 to the contrary, the provisions of 32 V.S.A. § 5260(b) and (c) shall apply if, on the effective date of this act, 90 days or more remain until the end of the redemption period.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on passage.

Which proposal of amendment was considered and concurred in.

Second Reading; Motion to Commit Disagreed to; Question Divided; Proposal of Amendment Agreed to; Third Reading Ordered

S. 58

Rep. Andriano of Orwell, for the Committee on Judiciary, to which had been referred Senate bill, entitled

An act relating to public safety

Reported in favor of its passage in concurrence with proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Big 12 Juvenile Offenses * * *

Sec. 1. 33 V.S.A. § 5201 is amended to read:

§ 5201. COMMENCEMENT OF DELINQUENCY PROCEEDINGS

* * *

(c)(1) Any proceeding concerning a child who is alleged to have committed an act specified in subsection 5204(a) of this title after attaining 14 years of age, but not 22 years of age, shall originate in the Criminal Division of the Superior Court, provided that jurisdiction may be transferred in accordance with this chapter and chapter 52A of this title, unless the State's Attorney files the charge directly as a youthful offender petition in the Family Division.

(2)(A) Any proceeding concerning a child who is alleged to have committed one of the following acts after attaining 14 years of age, but not 22 years of age, shall originate in the Criminal Division of the Superior Court, provided that jurisdiction may be transferred in accordance with this chapter and chapter 52A of this title, unless the State's Attorney files the charge directly as a youthful offender petition in the Family Division:

(i) a violation of a condition of release as defined in 13 V.S.A. § 7559 imposed by the Criminal Division for any of the offenses listed in subsection 5204(a) of this title; or

(ii) a violation of a condition of release as defined in 13 V.S.A. § 7559 imposed by the Criminal Division for an offense that was transferred from the Family Division pursuant to section 5204 of this title.

(B) This subdivision (2) shall not apply to a proceeding that is the subject of a final order accepting the case for youthful offender treatment pursuant to subsection 5281(d) of this title.

(3) Any proceeding concerning a child who is alleged to have committed one of the following acts after attaining 16 years of age, but not 22 years of age, shall originate in the Criminal Division of the Superior Court, provided that jurisdiction may be transferred in accordance with this chapter and chapter 52A of this title, unless the State's Attorney files the charge directly as a youthful offender petition in the Family Division:

(i) using a firearm while committing a felony in violation of 13 V.S.A. § 4005, or an attempt to commit that offense;

(ii) trafficking a regulated drug in violation of 18 V.S.A. chapter 84, subchapter 1, or an attempt to commit that offense; or

(iii) aggravated stalking as defined in 13 V.S.A. § 1063(a)(3), or an attempt to commit that offense.

(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(c) or an attempt to commit that offense~~.

(b)(1) The State's Attorney of the county where the juvenile petition is pending may move in the Family Division of the Superior Court for an order transferring jurisdiction under subsection (a) of this section at any time prior to adjudication on the merits. The filing of the motion to transfer jurisdiction shall automatically stay the time for the hearing provided for in section 5225 of this title, which stay shall remain in effect until such time as the Family Division of the Superior Court may deny the motion to transfer jurisdiction.

(2)(A)(i) The Family Division of the Superior Court shall hold a hearing under subsection (c) of this section to determine whether jurisdiction should be transferred to the Criminal Division under subsection (a) of this section if the delinquent act set forth in the petition is:

(I) ~~a felony violation of 18 V.S.A. chapter 84 for selling or trafficking a regulated drug~~ [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(c)) and 7 (33 V.S.A. § 5206) shall take effect on July 1, 2024.~~ [Deleted.]

* * *

Sec. 7. 33 V.S.A. § 5201(d) is amended to read:

(d) Any proceeding concerning a child who is alleged to have committed any offense other than those specified in subsection 5204(a) of this title 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 DIVISON

(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.

The bill, having appeared on the Notice Calendar, was taken up and read the second time.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Judiciary?, **Rep. Cina of Burlington** moved that the bill be committed to the Committee on Human Services, which was disagreed to.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Judiciary?, **Rep. Small of Winooski** asked that the question be divided to first consider Sections 1 through 18 and their applicable effective dates, and by thereafter considering Sections 19 and 20 and their applicable effective dates, and the Speaker ruled the question was divisible in that manner.

Thereupon, the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Judiciary in Sections 1 through 18 and their applicable effective dates?, was agreed to.

Thereafter, the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Judiciary in Sections 19 and 20 and their applicable effective dates?, was agreed to.

Thereupon, third reading was ordered.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 186

Rep. Noyes of Wolcott, for the Committee on Human Services, to which had been referred Senate bill, entitled

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

Reported in favor of its passage in concurrence with proposal of amendment 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.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Human Services agreed to, and third reading ordered.

Action on Bill Postponed

H. 27

House bill, entitled

An act relating to coercive controlling behavior and abuse prevention orders

Was taken up and, pending consideration of the Senate proposal of amendment, on motion of **Rep. Arsenault of Williston**, action on the bill was postponed until May 1, 2024.

Senate Proposal of Amendment Not Concurred in; Committee of Conference Requested and Appointed

H. 546

The Senate proposed to the House to amend House bill, entitled

An act relating to administrative and policy changes to tax laws

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

* * * Per Parcel Fee for Property Reappraisal * * *

Sec. 1. 32 V.S.A. § 4041a is amended to read:

§ 4041a. REAPPRAISAL

(a) A municipality shall be paid $8.50 per grand list parcel per year from the ~~Education~~ General Fund to be used only for reappraisal and costs related to reappraisal of its grand list properties and for maintenance of the grand list.

* * *

Sec. 2. 32 V.S.A. § 5412 is amended to read:

§ 5412. REDUCTION OF LISTED VALUE AND RECALCULATION OF EDUCATION TAX LIABILITY

(a)(1) If a listed value is reduced as the result of an appeal or court action made pursuant to section 4461 of this title, a municipality may submit a request for the Director of Property Valuation and Review to recalculate its education property tax liability for the education grand list value lost due to a determination, declaratory judgment, or settlement. The Director shall recalculate the municipality's education property tax liability for each year at issue, in accord with the reduced valuation, provided that:

(A) The reduction in valuation is the result of an appeal under chapter 131 of this title to the Director of Property Valuation and Review or to a court, with no further appeal available with regard to that valuation, or any judicial decision with no further right of appeal, or a settlement of either an appeal or court action if the Director determines that the settlement value is the fair market value of the parcel. The Director may waive the requirement of continuing an appeal or court action until there is no further right of appeal if the Director concludes that the value determined by an adjudicated decision is a reasonable representation of the fair market value of the parcel.

(B) The municipality submits the request on or before January 15 for a request involving an appeal or court action resolved within the previous calendar year.

(C) [Repealed.]

(D) The Director determines that the municipality's actions were consistent with best practices published by the Property Valuation and Review in consultation with the Vermont Assessors and Listers Association. The municipality shall have the burden of showing that its actions were consistent with the Director's best practices.

* * *

* * * Annual Link to Federal Income Tax Law * * *

Sec. 3. 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect on December 31, ~~2022~~ 2023, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter and shall continue in effect as adopted until amended, repealed, or replaced by act of the General Assembly.

Sec. 4. 32 V.S.A. § 7402 is amended to read:

§ 7402. DEFINITIONS

As used in this chapter unless the context requires otherwise:

* * *

(8) "Laws of the United States" means the U.S. Internal Revenue Code of 1986, as amended through December 31, ~~2022~~ 2023. As used in this chapter, "Internal Revenue Code" has the same meaning as "laws of the United States" as defined in this subdivision. The date through which amendments to the U.S. Internal Revenue Code of 1986 are adopted under this subdivision shall continue in effect until amended, repealed, or replaced by act of the General Assembly.

* * *

* * * Expansion of Renter Credit * * *

Sec. 5. 32 V.S.A. § 6061 is amended to read:

§ 6061. DEFINITIONS

As used in this chapter unless the context requires otherwise:

* * *

(20) "Very low-income limit" means an amount of income 1.3 times the amount of the income limit for very low-income families as determined by the U.S. Department of Housing and Urban Development pursuant to 42 U.S.C. § 1437a as of June 30 of the taxable year, provided that for claimants who reside in Franklin or Grand Isle ~~county~~ County, "very low-income limit" means 1.3 times the average of the very low-income limits for the State as determined by the U.S. Department of Housing and Urban Development.

* * * Repeal of Property Tax Credit Late Fee * * *

Sec. 6. 32 V.S.A. § 6066a is amended as follows:

§ 6066a. DETERMINATION OF PROPERTY TAX CREDIT

(a) Annually, the Commissioner shall determine the property tax credit amount under section 6066 of this title, related to a homestead owned by the claimant, based on the prior taxable year's income and crediting property taxes paid in the prior year. The Commissioner shall notify the municipality in which the housesite is located of the amount of the property tax credit for the claimant for homestead property tax liabilities on a monthly basis. The tax credit of a claimant who was assessed property tax by a town that revised the dates of its fiscal year, however, is the excess of the property tax that was assessed in the last 12 months of the revised fiscal year, over the adjusted property tax of the claimant for the revised fiscal year, as determined under section 6066 of this title, related to a homestead owned by the claimant.

* * *

(d) ~~For late claims filed after April 15, the property tax credit amount shall be reduced by $15.00~~ [Repealed.]

* * *

Sec. 7. 32 V.S.A. § 6068 is amended to read:

§ 6068. APPLICATION AND TIME FOR FILING

(a) A property tax credit claim or request for allocation of an income tax refund to homestead property tax payment shall be filed with the Commissioner on or before the due date for filing the Vermont income tax return, without extension, and shall describe the school district in which the homestead property is located and shall particularly describe the homestead property for which the credit or allocation is sought, including the school parcel account number prescribed in subsection 5404(b) of this title. A renter credit claim shall be filed with the Commissioner on or before the due date for filing the Vermont income tax return, without extension.

(b) ~~If the claimant fails to file a timely claim, the amount of the property tax credit under this chapter shall be reduced by $15.00, but not below $0.00, which shall be paid to the municipality for the cost of issuing an adjusted homestead property tax bill.~~ If the claimant files a claim after October 15 but on or before March 15 of the following calendar year, the property tax credit under this chapter:

(1) shall be reduced in amount by $150.00, but not below $0.00;

(2) shall be issued directly to the claimant; and

(3) shall not require the municipality where the claimant's property is located to issue an adjusted homestead property tax bill.

(c) No request for allocation of an income tax refund or for a renter credit claim may be made after October 15. No property tax credit claim may be made after March 15 of the calendar year following the due date under subsection (a) of this section.

* * * Utility Property Valuation * * *

Sec. 8. 32 V.S.A. § 4452 is amended to read:

§ 4452. VALUATIONS

(a) On or before May 1 of each year, the Division of Property Valuation and Review of the Department of Taxes shall furnish the listers in each town or city with the valuation of all taxable property of any public utility situated therein as reported by such utility to the Division.

(b) Each public utility shall furnish to the Division not later than March 31 in each year a sworn inventory of all its taxable property in such form as will show the valuation of its property in each town, city, or other municipality.

(c) The Division shall prescribe the form of such report and the officer or officers who shall make oath thereto.

(d) The valuations ~~so~~ furnished under this section shall be considered along with any other information as may reasonably be required by ~~such~~ listers in determining and fixing the valuations of ~~such~~ property for the purposes of ~~local~~ property taxation. The Division may require that each municipality use certain valuations furnished under this section. The valuations provided by the Division for property used for the transmission and distribution of electricity shall be used by the listers as the valuations of that property for purposes of property taxation.

* * * Property Tax Exemptions * * *

Sec. 9. 32 V.S.A. § 3802(22) is added to read:

(22) Real and personal estate owned by a county of this State, except land and buildings outside of a county's territorial limits shall be subject to municipal property tax by the municipality in which the land or buildings are situated. Notwithstanding the preceding provision, the exemption for public, pious, and charitable uses under subdivision (4) of this section shall be available for qualifying county land and buildings outside of the county's territorial limits.

* * * Fuel Tax * * *

Sec. 10. 33 V.S.A. § 2503(d) is amended to read:

(d) No tax under this section shall be imposed for any month ending after June 30, ~~2024~~ 2029.

* * * Health IT Fund Sunset Extension * * *

Sec. 11. 2013 Acts and Resolves No. 73, Sec. 60(10), as amended by 2017 Acts and Resolves No. 73, Sec. 14, 2018 Acts and Resolves No. 187, Sec. 5, 2019 Acts and Resolves No. 71, Sec. 21, 2021 Acts and Resolves No. 73, Sec. 14, and 2023 Acts and Resolves No. 78, Sec. E.306.1, is further amended to read:

(10) Secs. 48–51 (health care claims tax) shall take effect on July 1, 2013 and Sec. 52 (Health IT-Fund; sunset) shall take effect on July 1, ~~2025~~ 2026.

Sec. 12. 2019 Acts and Resolves No. 6, Sec. 105, as amended by 2019 Acts and Resolves No. 71, Sec. 19, 2022 Acts and Resolves No. 83, Sec. 75, and 2023 Acts and Resolves No. 78, Sec. E.306.2, is further amended to read:

Sec. 105. EFFECTIVE DATES

* * *

(b) Sec. 73 (further amending 32 V.S.A. § 10402) shall take effect on July 1, ~~2025~~ 2026.

* * *

* * * 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(ll) (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.

* * * 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. § 5930ll is amended to read:

§ 5930ll. MACHINERY AND EQUIPMENT TAX CREDIT

* * *

(d) Availability of credit.

(1) The credit earned under this section with respect to qualified capital expenditures shall be available to reduce the qualified taxpayer's Vermont income tax liability for its tax year beginning on or after January 1, 2012 or, if later, the first tax year within which the qualified taxpayer's aggregate qualified capital expenditures exceed $20,000,000.00. A taxpayer claiming a credit under this subchapter shall submit with the first return on which a credit is claimed a copy of the qualified taxpayer's certification from the Vermont Economic Progress Council.

(2) The credit may be used in the year earned or carried forward to reduce the qualified taxpayer's Vermont income tax liability in succeeding tax years ending on or before December 31, ~~2026~~ 2030.

* * *

(g) Reporting.

(1) Any qualified taxpayer who has been certified under subsection (b) of this section shall file a report with the Vermont Economic Progress Council on a form prescribed by the Council for this purpose and provide a copy of the report to the Commissioner of Taxes.

(2) The report shall be filed for each year following the certification until the year following the last year the taxpayer claims the credit to reduce its Vermont income tax liability, or ~~2027~~ 2031, whichever occurs first.

(3) The report shall be filed by ~~February 28~~ the due date of the taxpayer's tax return, including extensions, in each year for activity the previous calendar year and include, at a minimum:

(A) the number of full-time jobs in each quarter and the average number of hours worked per week;

(B) the level of qualifying capital investments made if reporting on a year within an investment period; and

(C) the amount of tax credit earned and applied during the previous calendar year.

Sec. 17. 2010 Acts and Resolves No. 156, Sec. H.2 is amended to read:

Sec. H.2 REPEAL

(a) Subchapter 11M of chapter 151 of Title 32 is repealed July 1, ~~2026~~ 2030, and no credit under that section shall be available for any taxable year beginning after June 30, ~~2026~~ 2030~~; provided, however, that if no qualified capital expenditures are made during the investment period, both terms as defined in 32 V.S.A. § 5930ll(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 a~~ A local option tax shall be effective beginning on the next tax quarter following 90 days' notice to the Department of Taxes of the imposition~~; and~~

~~(3) a local option tax may only be adopted by a municipality in which:~~

~~(A) the education property tax rate in 1997 was less than $1.10 per $100.00 of equalized education property value; or~~

~~(B) the equalized grand list value of personal property, business machinery, inventory, and equipment is at least ten percent of the equalized education grand list as reported in the 1998 Annual Report of the Division of Property Valuation and Review; or~~

~~(C) the combined education tax rate of the municipality will increase by 20 percent or more in fiscal year 1999 or in fiscal year 2000 over the rate of the combined education property tax in the previous fiscal year~~.

(b) If the legislative body of a municipality by a majority vote recommends, the voters of a municipality may, at an annual or special meeting warned for that purpose, by a majority vote of those present and voting, assess any or all of the following:

(1) a one percent sales tax;

(2) a one percent meals and alcoholic beverages tax;

(3) a one percent rooms tax.

* * *

* * * Effective Dates * * *

Sec. 21. EFFECTIVE DATES

(a) This section, Secs. 1 (reappraisals), 2 (property valuation and review waiver), 9 (exemption for county-owned property), 10 (fuel tax extension), and 11 and 12 (extension of Health IT Fund) shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Secs. 3 and 4 (link to federal income tax laws) shall take effect retroactively on January 1, 2024 and apply to taxable years beginning on and after January 1, 2023.

(c) Sec. 5 (renter credit expansion) shall take effect on passage and apply to claim years 2025 and after.

(d) Secs. 6 and 7 (repeal of property tax credit late fee) shall take effect on passage and apply to claim years 2024 and after.

(e) Sec. 8 (utility property valuation) shall take effect on passage and apply to grand lists filed on or after April 1, 2025.

(f) Secs. 13 and 14 (casual sales of ATVs), 15 (fee waiver for vital event certificates), 16 and 17 (extension of machinery and equipment tax credit), and 20 (local option sales tax) shall take effect on July 1, 2024.

(g) Secs. 12a and 12b (sales tax exemption; advanced wood boilers) shall take effect on June 30, 2024.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. Kornheiser of Brattleboro** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Kornheiser of Brattleboro
Rep. Demrow of Corinth
Rep. Andrews of Westford

Committee Bill Introduced; Referred to Committee on Appropriations

H. 889

By the Committee on Government Operations and Military Affairs,

House bill, entitled

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

Was read the first time and, pursuant to House Rule 35(a), carrying an appropriation, was referred to the Committee on Appropriations.

Pending Entry on the Notice Calendar Bill Referred to the Committee on Appropriations

S. 309

Senate bill, entitled

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

Pending entry on the Notice Calendar, and pursuant to House Rule 35(a), carry an appropriation, was referred to the Committee on Appropriations.

Adjournment

At four o'clock and seventeen minutes in the afternoon, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at one o'clock in the afternoon.

Wednesday, May 1, 2024

At one o'clock in the afternoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Ermek Baker-Niffka of Quechee, student at Hartford High School.

Pending Entry on the Notice Calendar
Bill Referred to the Committee on Appropriations

S. 310

Senate bill, entitled

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

Pending entry on the Notice Calendar, and pursuant to House Rule 35(a), carrying an appropriation, was referred to the Committee on Appropriations.

Joint Resolution Adopted in Concurrence

J.R.S. 55

By Senator Baruth,

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

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, May 3, 2024, it be to meet again no later than Tuesday, May 7, 2024.

Was taken up, read, and adopted in concurrence.

Ceremonial Reading

H.C.R. 182

House concurrent resolution congratulating the 2024 Fair Haven Union High School Slaters Division II championship girls' basketball team

Offered by: Representatives Canfield of Fair Haven, Andrews of Westford, Andriano of Orwell, Sammis of Castleton, and Toof of St. Albans Town

Offered by: Senators Collamore, Bray, Hardy, Weeks, and Williams

Whereas, the crowd at the Barre Auditorium witnessed an exciting 2024 Division II championship girls' basketball game between the top-seeded North

Country Falcons and the second-seeded Fair Haven Slaters, in which both teams shared the spotlight with streaks of offensive action, and

Whereas, the first quarter was the Falcons' opportunity to shine, but Fair Haven Head Coach Kyle Wilson requested two pivotal timeouts, which he used to motivate the Slaters and guide them on a more productive course, and

Whereas, although the Slaters showed great promise in the second quarter, they departed from the court at the halftime break still 12 points in arrears, and

Whereas, a midgame reassessment proved decisive as Fair Haven assumed its first lead late in the third quarter and ultimately emerged on top, 55–50, after a strong team effort, as the Slaters clinched Fair Haven's third outright Division II girls' basketball crown and concluded with a victorious 20–4 season record, and

Whereas, the triumphant Slaters were Elizabeth Love, Orianna Kerr, Lily Briggs, Maddy Perry, Kate Hadwen, Kirsten Parker, Riley Babbie, Audrey Perry, Isabelle Cole, Brianna Cathcart, and Victoria Kelly, and

Whereas, Head Coach Kyle Wilson, assistant coaches Leo Hutchins, Jay Wilson, Chad Wilson, and Henry Daley, as well as team managers Storm Graton and Maddie Egan were each delighted with this great performance on the hardwood court, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly congratulates the 2024 Fair Haven Union High School Slaters Division II championship girls' basketball team, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to Fair Haven Union High School.

Having been adopted in concurrence on Friday, March 22, 2024 in accord with Joint Rule 16b, was read.

Ceremonial Reading

H.C.R. 192

House concurrent resolution congratulating Trey Lee on his achievements as a Fair Haven Union High School wrestler

Offered by: Representatives Canfield of Fair Haven, Andriano of Orwell, Clifford of Rutland City, and Sammis of Castleton

Offered by: Senators Bray, Collamore, Hardy, and Williams

Whereas, for the past three academic years, Trey Lee has brightened the athletic landscape at Fair Haven Union High School as a Slater football

offensive wide receiver and defensive back and as a second baseman on the baseball diamond, but his true passion is wrestling, and

Whereas, in his sophomore year, Trey Lee compiled a commendable 37–9 win-loss record, and secured a second-place finish in the 126-pound class at the State championship, and

Whereas, as a junior, and still wrestling at 126 pounds, he improved on his prior statistics, earning a 41–9 win-loss record and clinching individual titles at both the Mike Baker Essex Classic and the State championship, and

Whereas, during his senior year, Trey Lee demonstrated that practice and perseverance can be rewarding as, at his new 132-pound status, he won top honors at the Hubie Wagner Invitational (both by scoring first place in his weight class and by being named Outstanding Wrestler), the Mike Baker Essex Classic, and the State championship; and he concluded his three-season pandemic-shortened high school wrestling career with a 133–22 win-loss record, comparable to the results for an outstanding four-year high school wrestler, and

Whereas, Head Coach Scott Shaddock, Trey Lee's wrestling coach at Fair Haven Union High School, has praised this young athlete's wrestling achievements and outstanding sportsmanship, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly congratulates Trey Lee on his achievements as a Fair Haven Union High School wrestler, and be it further

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

Having been adopted in concurrence on Friday, March 29, 2024 in accord with Joint Rule 16b, was read.

Ceremonial Reading

H.C.R. 238

House concurrent resolution recognizing the month of May 2024 as Asian/Pacific American Heritage Month in Vermont

Offered by: Representatives Roberts of Halifax, Anthony of Barre City, Austin of Colchester, Bos-Lun of Westminster, Brown of Richmond, Burrows of West Windsor, Campbell of St. Johnsbury, Carroll of Bennington, Chapin of East Montpelier, Christie of Hartford, Coffey of Guilford, Cole of Hartford, Dodge of Essex, Dolan of Essex Junction, Dolan of Waitsfield, Farlice-Rubio of Barnet, Garofano of Essex, Goslant of Northfield, Gregoire of Fairfield, Howard of Rutland City, Hyman of South Burlington, Krasnow of

South Burlington, Labor of Morgan, Leavitt of Grand Isle, Lipsky of Stowe, Logan of Burlington, Maguire of Rutland City, Masland of Thetford, McCann of Montpelier, Minier of South Burlington, Mrowicki of Putney, Nicoll of Ludlow, Ode of Burlington, Priestley of Bradford, Small of Winooski, Stebbins of Burlington, Waters Evans of Charlotte, White of Bethel, Williams of Barre City, and Wood of Waterbury

Offered by: Senators Collamore, Hardy, Hashim, McCormack, Perchlik, Ram Hinsdale, Vyhovsky, and Wrenner

Whereas, the history of Asian Americans and Pacific Islanders in the United States reflects both rejection and success, and

Whereas, the first Japanese immigrants arrived in the United States on May 7, 1843, and the Transcontinental Railroad, which was largely completed with Chinese labor, was opened on May 10, 1869, and

Whereas, in 1882, Congress passed the first of several Chinese Exclusion Acts, and this continuing exclusionary policy was not formally repealed until 1943; and, in 2011–2012, the U.S. House of Representatives and the U.S. Senate adopted separate condemnations of their predecessors' actions, and

Whereas, on February 19, 1942, President Franklin Roosevelt issued Executive Order 9066 forcing Japanese residents, including Japanese Americans residing on the Pacific Coast, into internment camps, and, in 1988, Congress passed Pub. L. No. 100-383, acknowledging the injustice of the internment policy and paying cash reparations, and

Whereas, in 1978, Congress declared a more welcoming policy, adopting Pub. L. No. 95-419 proclaiming "the 7-day period beginning on May 4, 1979, as 'Asian/Pacific American Heritage Week,'" and Pub. L. No. 101-283 extended the 1990 observance to a month; and, in 1992, Congress adopted Pub. L. No. 102-450, making this an annual month-long observance, and

Whereas, Asian/Pacific American Heritage Month, now also unofficially referred to as Asian American, Native Hawaiian, and Pacific Islander Heritage Month, celebrates the cultural contributions and personal and professional achievements of Asian and Pacific Islander Americans; and, as the Pew Research Center documented in a 2023 report, this observance also calls attention to the historic—and regrettably current—discrimination that Asian and Pacific Islander Americans continue to encounter, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly recognizes the month of May 2024 as Asian/Pacific American Heritage Month in Vermont, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Asian Cultural Center of Vermont.

Having been adopted in concurrence on Friday, April 26, 2024 in accord with Joint Rule 16b, was read.

Remarks Journalized

On motion of **Rep. Stebbins of Burlington**, the following remarks by **Rep. Campbell of St. Johnsbury** were ordered printed in the Journal:

"Madam Speaker:

I thank the Member from Halifax for introducing the Resolution recognizing Asian/Pacific American Heritage Month.

I rise because, as far as I know, I may be the only Member with at least some direct Asian heritage. In fact, I have a connection to Pacific Islands, too. My mother grew up in Hawaii, the daughter of a Korean man and an English woman. That caused a stir in polite society in 1922. When my grandparents married, the Honolulu paper ran a short blurb, "Korean Weds White Girl."

They divorced two years later. My mother was raised primarily by her solid Victorian English grandmother. This woman apparently was a dynamo. The story goes that she took her granddaughter to enroll her in school. My mother, half-Korean, half-English, looked very Asian. Told by the school administrator the school was for whites only, my great-grandmother drew herself up to her full five-foot height and declared, "Look at me. I'm white. My granddaughter is white." And she prevailed.

My mother, however, never got over being raised to be a proper English lady, yet understanding she could never be, because she was "half-breed." All her life, she hated being half-Korean. She always told people she was part-Hawaiian. I was in my twenties before I would say I was part-Korean — and never to her.

She died at the age of 87. Cleaning out her house, I found, at the bottom of a wicker chest she kept by the side of her bed, a neatly folded child's traditional Korean outfit, never worn. Her father must have given it to her when she was a toddler. She had kept it for 85 years.

I look forward to the day when we accept ourselves and each other, each with strengths and weaknesses, hopes and fears, trauma, and courage. I cherish the thought that someday white, black, brown, yellow, red will be just colors, and not labels for people, vestiges of a racist past."

Senate Proposal of Amendment Concurred in

H. 27

The Senate proposed to the House to amend House bill, entitled

An act relating to coercive controlling behavior and abuse prevention orders

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

Sec. 1. 15 V.S.A. § 1101 is amended to read:

§ 1101. DEFINITIONS

~~The following words as used in this chapter shall have the following meanings~~ As used in this chapter:

(1) "Abuse" means:

(A) the occurrence of one or more of the following acts between family or household members:

~~(A)~~(i) ~~Attempting~~ attempting to cause or causing physical harm~~.~~;

~~(B)~~(ii) ~~Placing~~ placing another in fear of imminent serious physical harm~~.~~;

~~(C)~~(iii) ~~Abuse~~ abuse to children as defined in 33 V.S.A. chapter 49, subchapter 2~~.~~;

~~(D)~~(iv) ~~Stalking~~ stalking as defined in 12 V.S.A. § 5131(6)~~.~~; or

~~(E)~~(v) ~~Sexual~~ sexual assault as defined in 12 V.S.A. § 5131(5)~~.~~; or

(B) coercive controlling behavior between family or household members.

(2) "Coercive controlling behavior" means a pattern of behavior that in purpose or effect unreasonably interferes with a person's free will and personal liberty. "Coercive controlling behavior" includes unreasonably engaging in any of the following:

(A) isolating the family or household member from friends, relatives or other sources of support;

(B) depriving the family or household member of basic necessities;

(C) controlling, regulating or monitoring the family or household member's movements, communications, daily behavior, finances, economic resources, or access to services;

(D) compelling the family or household member by force, threat or intimidation, including threats based on actual or suspected immigration status, to:

(i) engage in conduct from which such family or household member has a right to abstain; or

(ii) abstain from conduct that such family or household member has a right to pursue;

(E) committing or threatening to commit cruelty to animals that intimidates the family or household member; or

(F) forced sex acts or threats of a sexual nature, including threatened acts of sexual conduct, threats based on a person's sexuality, or threats to release sexual images.

(3) "Household members" means persons who, for any period of time, are living or have lived together, are sharing or have shared occupancy of a dwelling, are engaged in or have engaged in a sexual relationship, or minors or adults who are dating or who have dated. "Dating" means a social relationship of a romantic nature. Factors that the court may consider when determining whether a dating relationship exists or existed include:

(A) the nature of the relationship;

(B) the length of time the relationship has existed;

(C) the frequency of interaction between the parties; and

(D) the length of time since the relationship was terminated, if applicable.

~~(3)~~(4) A "foreign abuse prevention order" means any protection order issued by the court of any other state that contains provisions similar to relief provisions authorized under this chapter, the Vermont Rules for Family Proceedings, 33 V.S.A. chapter 69, or 12 V.S.A. chapter 178.

~~(4)~~(5) "Other state" and "issuing state" shall mean any state other than Vermont and any federally recognized Indian tribe, territory or possession of the United States, the Commonwealth of Puerto Rico, or the District of Columbia.

~~(5)~~(6) A "protection order" means any injunction or other order issued for the purpose of preventing violent or threatening acts or harassment against, or contact or communication with or physical proximity to, another person, including temporary and final orders issued by civil and criminal courts, other than support or child custody orders, whether obtained by filing an independent action or as a pendente lite order in another proceeding ~~so long as,~~

provided that any civil order was issued in response to a complaint, petition, or motion filed by or on behalf of a person seeking protection.

~~(6)~~(7) [Repealed.]

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

Which proposal of amendment was considered and concurred in.

Senate Proposal of Amendment Concurred in

H. 649

The Senate proposed to the House to amend House bill, entitled

An act relating to the Vermont Truth and Reconciliation Commission

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

Sec. 1. 2022 Acts and Resolves No. 128, Sec. 4 is amended to read:

Sec. 4. REPEAL

1 V.S.A. chapter 25 (Truth and Reconciliation Commission) is repealed on ~~July 1, 2026~~ May 1, 2027.

Sec. 2. 1 V.S.A. § 903 is amended to read:

§ 903. COMMISSIONERS

* * *

(c) The term of each commissioner shall begin on the date of appointment and end on ~~July 1, 2026~~ May 1, 2027.

Sec. 3. 1 V.S.A. § 904 is amended to read:

§ 904. SELECTION PANEL; MEMBERSHIP; DUTIES

(a)~~(1)~~ The Selection Panel shall be composed of ~~seven members selected on or before September 1, 2022 by a majority vote of~~ the following five members:

~~(A)~~(1) the Executive Director of Racial Equity or designee;

~~(B)~~(2) the Executive Director of the Vermont Center for Independent Living or designee;

~~(C)~~(3) an individual, who shall not be a current member of the General Assembly, appointed by the Speaker of the House;

~~(D)~~(4) an individual, who shall not be a current member of the General Assembly, appointed by the Committee on Committees; and

~~(E)~~(5) an individual, appointed by the Chief Justice of the Vermont Supreme Court.

~~(2) The individuals identified in subdivision (1) of this subsection:~~

~~(A) shall hold their first meeting on or before August 1, 2022 at the call of the individual appointed by the Chief Justice of the Vermont Supreme Court; and~~

~~(B) are encouraged to appoint individuals to the Selection Panel who include members of the populations and communities identified pursuant to subdivisions 902(b)(1)(A) (D) of this chapter and who are diverse with respect to socioeconomic status, work, education, geographic location, gender, and sexual identity.~~

~~(3) Individuals selected pursuant to subdivision (1) of this subsection who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than two meetings. These payments shall be made from amounts appropriated to the Truth and Reconciliation Commission.~~

(b)(1) The Selection Panel shall select and appoint the commissioners of the Truth and Reconciliation Commission as provided pursuant to section 905 of this chapter.

(2) To enable it to carry out its duty to select and appoint the commissioners of the Truth and Reconciliation Commission as provided pursuant to section 905 of this chapter, the Panel may:

(A) adopt procedures as necessary to carry out the duties set forth in section 905 of this chapter; and

(B) ~~establish and maintain a principal office;~~

~~(C)~~ meet and hold hearings at any place in this State~~; and~~

~~(D) hire temporary staff to provide administrative assistance during the period from September 1, 2022 through January 15, 2023, provided that if the Panel extends the time to select commissioners pursuant to subdivision 905(c)(1) of this chapter, it may retain staff to provide administrative assistance through March 31, 2023~~.

(c) The term of each member of the Panel shall begin on the date of appointment and end on ~~January 15, 2023, except if the Panel extends the time to select commissioners pursuant to subdivision 905(c)(1) of this chapter, the term of the Panel members shall end on March 31, 2023~~ May 1, 2027.

(d) The Panel shall select a chair and a vice chair from among its members.

(e)(1) Meetings shall be held at the call of the Chair or at the request of four or more members of the Panel.

(2) A majority of the current membership of the Panel shall constitute a quorum, and actions of the Panel may be authorized by a majority of the members present and voting at a meeting of the Panel.

(f) Members of the Panel who are not otherwise compensated by the State shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for ~~not more than 20 meetings during fiscal year 2023~~ meetings to carry out the Panel's duties pursuant to this section and sections 905 and 905a of this chapter. These payments shall be made from amounts appropriated to the Truth and Reconciliation Commission.

(g) The Panel shall have the administrative and legal assistance of the Truth and Reconciliation Commission.

(h)(1) A member of the Panel who is not serving ex officio may be removed by the appropriate appointing authority for incompetence, failure to discharge the member's duties, malfeasance, or illegal acts.

(2) A vacancy occurring on the Panel shall be filled by the appropriate appointing authority for the remainder of the term.

Sec. 4. 1 V.S.A. § 905 is amended to read:

§ 905. SELECTION OF COMMISSIONERS

* * *

(d) The Panel shall fill any vacancy occurring among the commissioners within 60 days after the vacancy occurs in the manner set forth in subsections (a) and (b) of this section. A commissioner appointed to fill a vacancy pursuant to this subsection shall be appointed to serve for the balance of the unexpired term.

Sec. 5. APPOINTMENT TO FILL EXISTING COMMISSION VACANCY

The Selection Panel established pursuant to 1 V.S.A. § 905 shall fill the vacancy existing on the Truth and Reconciliation Commission on the effective date of this act not later than 60 days after the appointive members of the Panel are appointed.

Sec. 6. 1 V.S.A. § 905a is added to read:

§ 905a. REMOVAL OR REPRIMAND OF COMMISSIONERS FOR MISCONDUCT

The Selection Panel may, after notice and an opportunity for a hearing, reprimand or remove a commissioner for incompetence, failure to discharge the commissioner's duties, malfeasance, illegal acts, or other actions that the Panel determines would substantially and materially harm the credibility of the Truth and Reconciliation Commission or its ability to carry out its work pursuant to the provisions of this chapter. Notwithstanding subdivision 904(e)(2) of this chapter, the reprimand or removal of a commissioner shall only be authorized by a vote of the majority of the members of the Panel.

Sec. 7. 1 V.S.A. § 906 is amended to read:

§ 906. POWERS AND DUTIES OF THE COMMISSIONERS

* * *

(b) Powers. To carry out its duties pursuant to this chapter, the commissioners may:

(1) ~~Adopt rules in accordance with 3 V.S.A. chapter 25 as necessary to implement the provisions of this chapter.~~ [Repealed.]

* * *

(13)(A) Establish groups in which individuals who have experienced institutional, structural, or systemic discrimination or are a member of a population or community that has experienced institutional, structural, or systemic discrimination may participate for purposes of sharing experiences and providing mutual support.

(B) Commissioners shall not participate in any meeting or session of a group established pursuant to this subdivision (13).

(C) Groups established pursuant to this subdivision (13) may continue to exist after the date on which the Commission ceases to exist, provided that after that date Commission staff shall no longer provide any assistance or services to the groups and Commission funds shall no longer be spent in support of the groups.

Sec. 8. 1 V.S.A. § 908 is amended to read:

§ 908. REPORTS

* * *

(b)(1) On or before ~~June~~ April 15, ~~2026~~ 2027, the Commission shall submit a final report incorporating the findings and recommendations of each committee. Each report shall detail the findings and recommendations of the relevant committee and shall include recommendations for actions that can be taken to eliminate ongoing instances of institutional, structural, and systemic discrimination and to address the harm caused by historic instances of institutional, structural, and systemic discrimination.

(2) The Commission shall, on or before ~~January~~ October 15, 2026, make a draft of the final report publicly available and provide copies of the draft to interested parties from the populations and communities identified pursuant to subdivision 902(b)(1) of this chapter and other interested parties. The Commission shall provide the interested parties and members of the public with not less than 60 days to review the draft and provide comments on it. The Commission shall consider fully all comments submitted in relation to the draft and shall include with the final version of the report a summary of all comments received and a concise statement of the reasons why the Commission decided to incorporate or reject any proposed changes. Comments submitted in relation to the final report shall be made available to the public in a manner that complies with the requirements of section ~~910~~ 909 of this chapter.

(3) The draft and final report shall include:

(A) a bibliography of all sources, interviews, and materials utilized in preparing the report;

(B) a summary of the interviews utilized in preparing the report, including the total number of interviews, and whether each interview was public or confidential, and whether a transcript or summary, or both, is available for each interview; and

(C) information regarding where members of the public can access and obtain copies of the sources and materials utilized in preparing the report, including the transcripts or summaries of interviews.

* * *

Sec. 9. 1 V.S.A. § 909 is amended to read:

§ 909. ACCESS TO INFORMATION; CONFIDENTIALITY

* * *

(d) Private proceedings.

(1) ~~The~~ Notwithstanding any provision of chapter 5, subchapter 2 of this title, the Vermont Open Meeting Law, or section 911 of this chapter to the

contrary, the Commission shall permit any individual who is interviewed by the Commission to elect to have ~~their~~ the individual's interview conducted in a manner that protects the individual's privacy and to have any recording of the interview kept confidential by the Commission. Any other record or document produced in relation to an interview conducted pursuant to this subdivision (d)(1) shall ~~only~~ be available to the public in an anonymized form that does not reveal the identity of any individual.

* * *

Sec. 10. 1 V.S.A. § 911 is added to read:

§ 911. DELIBERATIVE DISCUSSIONS; EXCEPTION TO OPEN MEETING LAW

(a) Notwithstanding any provision of chapter 5, subchapter 2 of this title, the deliberations of a quorum or more of the members of the Commission shall not be subject to the Vermont Open Meeting Law.

(b) The Commission shall regularly post to the Commission's website a short summary of all deliberative meetings held by the commissioners pursuant to this subsection.

(c)(1) As used in this section, "deliberations" means weighing, examining, and discussing information gathered by the Commission and the reasons for and against an act or decision.

(2) "Deliberations" expressly excludes:

(A) taking evidence, except as otherwise provided pursuant to section 909 of this chapter;

(B) hearing arguments for or against an act or decision of the Commission;

(C) taking public comment; and

(D) making any decision related to an act or the official duties of the Commission.

Sec. 11. LEGISLATIVE INTENT

It is the intent of the General Assembly that:

(1) the Truth and Reconciliation Commission work in an open, transparent, and inclusive manner to ensure the credibility and integrity of its work and strive to maximize opportunities to conduct its business in public meetings;

(2) specific exceptions to the Open Meeting Law, in recognition of the highly sensitive nature of the Truth and Reconciliation Commission's charge, will enable the Commission to carry out its duties in a manner that:

(A) preserves the safety of participants in the Commission's work;

(B) does not perpetuate or exacerbate harm experienced by participants; and

(C) protects participants from additional trauma.

Sec. 12. 1 V.S.A. § 912 is added to read:

§ 912. GROUP SESSIONS; DUTY OF CONFIDENTIALITY

(a) The sessions of groups established pursuant to subdivision 906(b)(13) of this chapter shall be confidential and privileged. Participants in a group session, including Commission staff or individuals whom the Commission contracts with to facilitate group sessions, shall be subject to a duty of confidentiality and shall keep confidential any information gained during a group session.

(b) A person who attended a group session may bring a private action in the Civil Division of the Superior Court for damages resulting from a breach of the duty of confidentiality established pursuant to this section.

(c) This section shall not be construed to limit or otherwise affect the application of a common law duty of confidentiality to group sessions and any action that may be brought based on a breach of that duty.

(d) Nothing in this section shall be construed to prohibit the limited disclosure of information to specific persons under the following circumstances:

(1) The disclosure:

(A) relates to a threat or statement of a plan made during a group session that the individual reasonably believes is likely to result in death or bodily injury to themselves or others or damage to the property of themselves or another person; and

(B) is made to law enforcement authorities or another person that is reasonably able to prevent or lessen the threat.

(2) The disclosure is based on a reasonable suspicion of abuse or neglect of a child or vulnerable adult and a report is made in accordance with the provisions of 33 V.S.A. § 4914 or 6903 or to comply with another law.

(e) The Commission shall ensure that all participants in a group session are provided with notice of the provisions of this section, including any rights and obligations of participants that are established pursuant to this section.

(f) As used in this section, "group session" means any meeting of a group established pursuant to subdivision 906(b)(13) of this chapter for purposes of the participants sharing or discussing their experiences and providing mutual support. "Group session" does not include any gathering of the participants in a group established pursuant to subdivision 906(b)(13) of this chapter that includes one or more members of the Commission.

Sec. 13. EFFECTIVE DATE

This act shall take effect on passage.

Which proposal of amendment was considered and concurred in.

Third Reading; Bills Passed

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

H. 885

House bill, entitled

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

H. 886

House bill, entitled

An act relating to approval of amendments to the charter of the City of South Burlington

Third Reading; Resolution Adopted

H.R. 18

House resolution, entitled

House resolution calling on Franklin County Sheriff John Grismore to resign from office

Was taken up, read the third time, and adopted.

Third Reading;
Bill Passed in Concurrence with Proposal of Amendment

S. 58

Senate bill, entitled

An act relating to public safety

Was taken up, read the third time, and passed in concurrence with proposal of amendment.

Third Reading; Bill Passed in Concurrence

S. 120

Senate bill, entitled

An act relating to postsecondary schools and sexual misconduct protections

Was taken up, read the third time, and passed in concurrence.

Third Reading;
Bill Passed in Concurrence with Proposal of Amendment

S. 184

Senate bill, entitled

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

Was taken up, read the third time, and passed in concurrence with proposal of amendment.

Third Reading;
Bill Passed in Concurrence with Proposal of Amendment

S. 186

Senate bill, entitled

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

Was taken up, read the third time, and passed in concurrence with proposal of amendment.

Third Reading; Bill Passed in Concurrence

S. 196

Senate bill, entitled

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

Was taken up, read the third time, and passed in concurrence.

Message from the Senate No. 55

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

Pursuant to the request of the House for a Committee of Conference on the disagreeing votes of the two Houses on House bill entitled:

H. 546. An act relating to administrative and policy changes to tax laws.

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Cummings
Senator MacDonald
Senator Chittenden

Pursuant to the request of the House for a Committee of Conference on the disagreeing votes of the two Houses on House bill entitled:

H. 868. An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Perchlik
Senator Chittenden
Senator Ingalls

Adjournment

At one o'clock and fifty-eight minutes in the afternoon, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at one o'clock in the afternoon.

Thursday, May 2, 2024

At one o'clock in the afternoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rep. James Masland of Thetford.

Bills Referred to Committee on Appropriations

Senate bills of the following titles, appearing on the Notice Calendar, carrying appropriations, under House Rule 35(a), were referred to the Committee on Appropriations:

S. 102

Senate bill, entitled

An act relating to expanding employment protections and collective bargaining rights

S. 253

Senate bill, entitled

An act relating to building energy codes

Ceremonial Reading

H.C.R. 234

House concurrent resolution in memory of Phyllis Gigante of Brattleboro

Offered by: Representatives Kornheiser of Brattleboro, Burke of Brattleboro, and Toleno of Brattleboro

Whereas, Phyllis Gigante was raised in the New York City area, and, for three decades, including while she was a young mother of two children, she was a staff librarian in the Lincoln Consolidated School District in Ypsilanti, Michigan, and

Whereas, after relocating to the Tri-Park Cooperative Housing community in West Brattleboro, Phyllis Gigante immediately volunteered to assist her neighbors in any way she could, and

Whereas, in response, the community formed a well-being committee, which “helped plant peach trees and invite[d] Edible Gardens to provide fresh vegetables” to residents, and

Whereas, the Tri-Park Board of Directors quickly learned that Phyllis Gigante was the person to call to accomplish a task, and, during the height of the COVID-19 pandemic, she assumed a broad swath of responsibilities, and

Whereas, with the community's office staff absent, Phyllis Gigante took the lead in phoning the 300 Tri-Park households to determine residents' needs, and this initiative resulted in organizing volunteers to deliver groceries biweekly to more than 30 households, providing medications to disabled residents, driving neighbors to medical appointments, and arranging U.S. Mail pickups, and

Whereas, Phyllis Gigante tackled other COVID-era projects such as organizing a Christmas delivery service featuring Santa Claus and elves delivering a hand-wrapped gift to every Tri-Park child, and

Whereas, she served as an empathetic friend ready to listen to her neighbors' COVID concerns, and, with her brother, Michael, Phyllis Gigante set up a weekly food distribution table in front of the Tri-Park office, and

Whereas, Phyllis Gigante continued her enthusiastic and energetic volunteer life until her death on March 9, 2024 at 76 years of age, leaving enormous appreciation and sadness in the Tri-Park community, and especially among her surviving brother, children, and grandchildren, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly extends its sincere condolences to the family of Phyllis Gigante and to the Tri-Park community, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the members of Phyllis Gigante's family and to the Tri-Park Community's office.

Having been adopted in concurrence on Friday, April 26, 2024 in accord with Joint Rule 16b, was read.

Rules Suspended, Immediate Consideration; Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 309

On motion of **Rep. McCoy of Poultney**, 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

Appearing on the Notice Calendar, was taken up for immediate consideration.

Rep. Shaw of Pittsford, for the Committee on Transportation, to which had been referred the Senate bill, reported in favor of its passage in concurrence with proposal of amendment 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.

(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, 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~~; 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 (l) of this section. New and renewal application forms shall include a space for the applicant to request that a "veteran" designation be placed on the applicant's identification card. If a veteran, as defined in 38 U.S.C. § 101(2) 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) 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.

Rep. Mattos of Milton, for the Committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Transportation.

Rep. Harrison of Chittenden, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Transportation.

Thereupon, the bill was read the second time, the report of the Committee on Transportation agreed to, and third reading ordered.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 98

Rep. Cordes of Lincoln, for the Committee on Health Care, to which had been referred Senate bill, entitled

An act relating to Green Mountain Care Board authority over prescription drug costs

Reported in favor of its passage in concurrence with proposal of amendment 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 entireties 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."

Rep. Holcombe of Norwich, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Health Care.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Health Care agreed to, and third reading ordered.

Second Reading; Proposal of Amendment Agreed to; Proposal of Amendment Amended; Amendment Offered and Withdrawn; Third Reading Ordered

S. 213

Rep. Satcowitz of Randolph, for the Committee on Environment and Energy, to which had been referred Senate bill, entitled

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

Reported in favor of its passage in concurrence with proposal of amendment 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. ~~River corridor and buffer~~ 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: 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.

Seventh: 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 January 15, 2025, the Secretary of Natural Resources and the Chair of the Natural Resources Board shall submit to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy the reports required under subsection (a) of this section.

Eighth: By striking out Sec. 29, effective dates, and its reader assistance heading in their entireties 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.

Rep. Long of Newfane presiding

Rep. Demrow of Corinth, for the Committee on Ways and Means, recommended that the report of the Committee on Environment and Energy be amended in the seventh instance of amendment, in Sec. 28, report on waiver of permit fees, by striking out subsection (c) in its entirety and inserting lieu thereof a new subsection (c) to read as follows:

(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.

Rep. Squirrell of Underhill, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Environment and Energy and when further amended as recommended by the Committee on Ways and Means.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and the report of the Committee on Environment and Energy was amended as recommended by the Committee on Ways and Means. Thereupon, the report of the Committee on Environment and Energy, as amended, was agreed to.

Pending the question, Shall the bill be read a third time?, **Reps. Satcowitz of Randolph, Bongartz of Manchester, Clifford of Rutland City, Logan of Burlington, Morris of Springfield, Patt of Worcester, Sheldon of Middlebury, Sibilia of Dover, Smith of Derby, Stebbins of Burlington, and Torre of Moretown** moved to amend the House proposal of amendment 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.]

Which was agreed to.

Speaker presiding.

Pending the question, Shall the bill be read a third time?, **Rep. Sims of Craftsbury** moved to amend the House proposal of amendment by adding a new section to be Sec. 28a and its reader assistance heading to read as follows:

* * * Indirect Discharges in Class A Waters * * *

Sec. 28a. 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.

Thereupon, **Rep. Sims of Craftsbury** asked and was granted leave of the House to withdraw her amendment.

Pending the question, Shall the bill be read a third time?, **Rep. McCoy of Poultney** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time?, was decided in the affirmative. Yeas, 111. Nays, 26.

Those who voted in the affirmative are:

Andrews of Westford
Anthony of Barre City
Arrison of Weathersfield
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Beck of St. Johnsbury
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Brown of Richmond
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Durfee of Shaftsbury
Elder of Starksboro
Emmons of Springfield
Farlice-Rubio of Barnet
Galfetti of Barre Town
Garofano of Essex
Goldman of Rockingham
Graning of Jericho
Gregoire of Fairfield
Hango of Berkshire *
Harrison of Chittenden
Headrick of Burlington
Holcombe of Norwich
Hooper of Burlington
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
Morris of Springfield
Morrissey of Bennington
Mrowicki of Putney
Nicoll of Ludlow
Notte of Rutland City
Noyes of Wolcott
Nugent of South Burlington
O'Brien of Tunbridge
Ode of Burlington
Pajala of Londonderry
Patt of Worcester
Pearl of Danville
Pouech of Hinesburg
Priestley of Bradford
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax
Sammis of Castleton
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury *

Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chase of Chester
Chase of Colchester
Christie of Hartford
Cina of Burlington
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Cordes of Lincoln
Demrow of Corinth
Dodge of Essex
Dolan of Essex Junction
Dolan of Waitsfield *
Donahue of Northfield
LaBounty of Lyndon
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Lanpher of Vergennes
Leavitt of Grand Isle
Logan of Burlington
Long of Newfane *
Masland of Thetford
McCann of Montpelier
McCarthy of St. Albans City
McFaun of Barre Town
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Sibilia of Dover *
Sims of Craftsbury
Small of Winooski
Squirrell of Underhill
Stebbins of Burlington
Stevens of Waterbury
Stone of Burlington
Surprenant of Barnard
Taylor of Colchester
Toleno of Brattleboro
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City *
Wood of Waterbury

Those who voted in the negative are:

Bartley of Fairfax
Branagan of Georgia
Canfield of Fair Haven
Clifford of Rutland City
Demar of Enosburgh
Goslant of Northfield
Graham of Williamstown
Higley of Lowell
Labor of Morgan
Laroche of Franklin *
Maguire of Rutland City
Marcotte of Coventry
Mattos of Milton
McCoy of Poultney
Morgan of Milton
Oliver of Sheldon
Page of Newport City
Parsons of Newbury
Peterson of Clarendon
Quimby of Lyndon
Shaw of Pittsford
Smith of Derby
Taylor of Milton
Toof of St. Albans Town
Walker of Swanton
Williams of Granby

Those members absent with leave of the House and not voting are:

Andriano of Orwell
Brennan of Colchester
Brownell of Pownal
Burditt of West Rutland
Chapin of East Montpelier
Chesnut-Tangerman of Middletown Springs
Dickinson of St. Albans Town
Hooper of Randolph
Houghton of Essex Junction
Lipsky of Stowe
Templeman of Brownington

Rep. Dolan of Waitsfield explained her vote as follows:

"Madam Speaker:

I support S.213. The tools presented in this bill temper the power of floods before they inflict damages to our homes, businesses, and communities, and they drive down the costs of flood recovery."

Rep. Hango of Berkshire explained her vote as follows:

"Madam Speaker:

It is with great trepidation that I vote yes for this bill – the number of new positions created necessary to carry out these new programs and the amount of money necessary to fund these new programs is staggering. While this is important work that needs to be carried out to help prevent future events such as we faced in vulnerable areas across the State this past summer, I fear that the funding will need to be taken from other necessary programs."

Rep. Laroche of Franklin explained his vote as follows:

"Madam Speaker:

It pains me to vote no. This bill has great merit. However, with all the money we are spending this year, our priorities could have been better, to say the least."

Rep. Long of Newfane explained her vote as follows:

"Madam Speaker:

I voted in support of S.213 because it is a critical flood recovery and safety bill. Vermont's unique patterns of historical development also mean many of our communities are vulnerable to flooding. This bill improves our flood preparedness and climate resilience by supporting our wetlands, improving dam safety, and limiting development in high hazard areas."

Rep. Sheldon of Middlebury explained her vote as follows:

"Madam Speaker:

I vote yes today for the Flood Safety Act because it provides proactive measures to address the impacts of severe flooding on our communities while also protecting the environment."

Rep. Sibilia of Dover explained her vote as follows:

"Madam Speaker:

Our towns are overwhelmed and under the gun. S.213, supported by the association representing Vermont's cities and towns, takes some of the pressure for adaptation off our community volunteers."

Rep. Williams of Barre City explained his vote as follows:

"Madam Speaker:

I vote yes to improve our State and communities' collective resilience in the face of severe flooding and natural disaster. Too many of us have seen what these storms are capable of. We must be prepared."

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 301

Rep. Quimby of Lyndon, for the Committee on Agriculture, Food Resiliency, and Forestry, to which had been referred Senate bill, entitled

An act relating to miscellaneous agricultural subjects

Reported in favor of its passage in concurrence with proposal of amendment 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, stored, 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.

~~(13)~~(11) "Reportable disease" means any disease included in the National List of Reportable Animal Diseases and any disease required by the Secretary by rule to be reportable.

~~(14)~~(12) "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.

Rep. Masland of Thetford, for the Committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Agriculture, Food Resiliency, and Forestry.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Agriculture, Food Resiliency, and Forestry agreed to, and third reading ordered.

Senate Proposal of Amendment Concurred in

H. 606

The Senate proposed to the House to amend House bill, entitled

An act relating to professional licensure and immigration status

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

Sec. 1. PURPOSE

(a) The purpose of this act is to amend the laws of Vermont to allow any individual who meets the standards required by the State to obtain a professional or occupational license or certification, regardless of that individual's immigration status.

(b) The General Assembly acts pursuant to the authority provided in section 411 of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104–193, Title IV, § 411, codified at 8 U.S.C. § 1621(d), as such section existed on January 1, 2024.

(c) Nothing in this act shall be construed to grant eligibility for any public benefits, as defined in 8 U.S.C. § 1621(c), other than obtaining a professional license.

Sec. 2. 3 V.S.A. § 139 is added to read:

§ 139. IMMIGRATION STATUS

(a) Notwithstanding any provision of law to the contrary, an applicant shall not be denied any professional license or certification enumerated in this title or Titles 16, 20, or 26 of the Vermont Statutes Annotated on the basis of the applicant's citizenship status or immigration status or lack thereof.

(b) If an applicant is required by State law to provide a Social Security number for the purpose of obtaining or maintaining a professional license or certification under this title or Titles 16, 20, or 26 of the Vermont Statutes Annotated, the applicant may provide a federal employer identification number, an individual taxpayer identification number, or a Social Security number; provided, however, that an applicant shall provide a Social Security number if a federal law or an interstate compact of which the State is a member requires that an applicant provide a Social Security number to obtain or maintain a professional license.

Sec. 3. EFFECTIVE DATE

This act shall take effect on September 1, 2024.

Which proposal of amendment was considered and concurred in.

Senate Proposal of Amendment Concurred in

H. 706

The Senate proposed to the House to amend House bill, entitled

An act relating to banning the use of neonicotinoid pesticides

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

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Wild and managed pollinators are essential to the health and vitality of Vermont's agricultural economy, environment, and ecosystems. According

to the Department of Fish and Wildlife (DFW), between 60 and 80 percent of the State's wild plants depend on pollinators to reproduce.

(2) Vermont is home to thousands of pollinators, including more than 300 native bee species. Many pollinator species are in decline or have disappeared from Vermont, including three bee species that the State lists as endangered. The Vermont Center for Ecostudies and DFW's State of Bees 2022 Report concludes that at least 55 of Vermont's native bee species need significant conservation action.

(3) Neonicotinoids are a class of neurotoxic, systemic insecticides that are extremely toxic to bees and other pollinators. Neonicotinoids are the most widely used class of insecticides in the world and include imidacloprid, clothianidin, thiamethoxam, acetamiprid, dinotefuran, thiacloprid, and nithiazine.

(4) Among other uses, neonicotinoids are commonly applied to crop seeds as a prophylactic treatment. More than 90 percent of neonicotinoids applied to treated seeds move into soil, water, and nontarget plants. According to the Agency of Agriculture, Food and Markets, at least 1197.66 tons of seeds sold in Vermont in 2022 were treated with a neonicotinoid product.

(5) Integrated pest management is a pest management technique that protects public health, the environment, and agricultural productivity by prioritizing nonchemical pest management techniques. Under integrated pest management, pesticides are a measure of last resort. According to the European Academies Science Advisory Council, neonicotinoid seed treatments are incompatible with integrated pest management.

(6) A 2020 Cornell University report that analyzed more than 1,100 peer-reviewed studies found that neonicotinoid corn and soybean seed treatments pose substantial risks to bees and other pollinators but provide no overall net income benefits to farms. DFW similarly recognizes that neonicotinoid use contributes to declining pollinator populations.

(7) A 2014 peer-reviewed study conducted by the Harvard School of Public Health and published in the journal Bulletin of Insectology concluded that sublethal exposure to neonicotinoids is likely to be the main culprit for the occurrence of colony collapse disorder in honey bees.

(8) A 2020 peer-reviewed study published in the journal Nature Sustainability found that increased neonicotinoid use in the United States between 2008 and 2014 led to statistically significant reductions in bird biodiversity, particularly among insectivorous and grassland birds.

(9) A 2022 peer-reviewed study published in the journal Environmental Science and Technology found neonicotinoids in 95 percent of the 171 pregnant women who participated in the study. Similarly, a 2019 peer-reviewed study published in the journal Environmental Research found that 49.1 percent of the U.S. general population had recently been exposed to neonicotinoids.

(10) The European Commission and the provinces of Quebec and Ontario have implemented significant prohibitions on the use of neonicotinoids.

(11) The New York General Assembly passed legislation that prohibits the sale or use of corn, soybean, and wheat seed treated with imidacloprid, clothianidin, thiamethoxam, dinotefuran, or acetamiprid. The same legislation prohibits the nonagricultural application of imidacloprid, clothianidin, thiamethoxam, dinotefuran, or acetamiprid to outdoor ornamental plants and turf.

Sec. 2. 6 V.S.A. § 1101 is amended to read:

§ 1101. DEFINITIONS

As used in this chapter unless the context clearly requires otherwise:

(1) "Secretary" ~~shall have~~ has the same meaning stated in subdivision 911(4) of this title.

(2) "Cumulative" when used in reference to a substance means that the substance so designated has been demonstrated to increase twofold or more in concentration if ingested or absorbed by successive life forms.

(3) "Dealer or pesticide dealer" means any person who regularly sells pesticides in the course of business, but not including a casual sale.

(4) "Economic poison" ~~shall have~~ has the same meaning stated in subdivision 911(5) of this title.

(5) "Pest" means any insect, rodent, nematode, fungus, weed, or any other form of terrestrial or aquatic plant or animal life or ~~virus~~ viruses, bacteria, or other microorganisms that the Secretary declares as being injurious to health or environment. "Pest ~~shall~~" does not mean any viruses, bacteria, or other microorganisms on or in living humans or other living animals.

(6) "Pesticide" for the purposes of this chapter ~~shall be~~ is used interchangeably with "economic poison."

(7) "Treated article" means a pesticide or class of pesticides exempt under 40 C.F.R. § 152.25(a) from regulation under the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136-136y.

(8) "Neonicotinoid pesticide" means any economic poison containing a chemical belonging to the neonicotinoid class of chemicals.

(9) "Neonicotinoid treated article seeds" are treated article seeds that are treated or coated with a neonicotinoid pesticide.

(10) "Agricultural commodity" means any food in its raw or natural state, including all fruits or vegetables that are washed, colored, or otherwise treated in their unpeeled natural form prior to marketing.

(11) "Agricultural emergency" means an occurrence of any pest that presents an imminent risk of significant harm, injury, or loss to agricultural crops.

(12) "Bloom" means the period from the onset of flowering or inflorescence until petal fall is complete.

(13) "Crop group" means the groupings of agricultural commodities specified in 40 C.F.R. § 180.41(c) (2023).

(14) "Environmental emergency" means an occurrence of any pest that presents a significant risk of harm or injury to the environment, or significant harm, injury, or loss to agricultural crops, including any exotic or foreign pest that may need preventative quarantine measures to avert or prevent that risk, as determined by the Secretary of Agriculture, Food and Markets.

(15) "Ornamental plants" mean perennials, annuals, and groundcover purposefully planted for aesthetic reasons.

Sec. 3. 6 V.S.A. § 1105b is added to read:

§ 1105b. USE AND SALE OF NEONICOTINOID TREATED ARTICLE SEEDS

(a) No person shall sell, offer for sale or use, distribute, or use any neonicotinoid treated article seed for soybeans or for any crop in the cereal grains crop group (crop groups 15, 15-22, 16, and 16-22).

(b) The Secretary of Agriculture, Food and Markets, after consultation with the Secretary of Natural Resources, may issue a written exemption order to suspend the provisions of subsection (a) of this section, only if the following conditions are met:

(1) the person seeking the exemption order shall complete an integrated pest management training, provided by the Secretary or an approved third party;

(2) the person seeking the exemption order shall complete a pest risk assessment and submit a pest risk assessment report to the Secretary;

(3) any seeds authorized for use under the exemption order shall be planted only on the property or properties identified in the pest risk assessment report; and

(4) the persons seeking the exemption order shall maintain current records of the pest risk assessment report and records of when treated seeds are planted, both of which shall be subject to review upon request by the Secretary.

(c) A written exemption order issued under subsection (b) of this section shall:

(1) not be valid for more than one year; and

(2) specify the types of neonicotinoid treated article seeds to which the exemption order applies, the date on which the exemption order takes effect, and the exemption order's duration.

(d) A written exemption order issued under subsection (b) of this section may:

(1) establish restrictions related to the use of neonicotinoid treated article seeds to which the exemption order applies to minimize harm to pollinator populations, bird populations, ecosystem health, and public health; and

(2) establish other restrictions related to the use of neonicotinoid treated article seeds to which the exemption order applies that the Secretary of Agriculture, Food and Markets considers necessary.

(e) Upon issuing a written exemption order under subsection (b) of this section, the Secretary of Agriculture, Food and Markets shall submit a copy of the exemption order to the Senate Committees on Natural Resources and Energy and on Agriculture; the House Committees on Environment and Energy and on Agriculture, Food Resiliency, and Forestry; and the Agricultural Innovation Board. The General Assembly shall post the written exemption order to the website of the General Assembly.

(f) The Secretary of Agriculture, Food and Markets, after consultation with the Secretary of Natural Resources, may rescind a written exemption order issued under subsection (b) of this section at any time. Such rescission shall come into effect not sooner than 30 days after its issuance and shall not apply to neonicotinoid treated article seeds planted or sown before such recission comes into effect.

Sec. 4. 6 V.S.A. § 1105c is added to read:

§ 1105c. NEONICOTINOID PESTICIDES; PROHIBITED USES

(a) The following uses of neonicotinoid pesticides are prohibited:

(1) the outdoor application of neonicotinoid pesticides to any crop during bloom;

(2) the outdoor application of neonicotinoid pesticides to soybeans or any crop in the cereal grains crop group (crop groups 15, 15-22, 16, and 16-22);

(3) the outdoor application of neonicotinoid pesticides to crops in the leafy vegetables; brassica; bulb vegetables; herbs and spices; and stalk, stem, and leaf petiole vegetables crop groups (crop groups 3, 3-07, 4, 4-16, 5, 5-16, 19, 22, 25, and 26) harvested after bloom; and

(4) the application of neonicotinoid pesticides to ornamental plants.

(b) The Secretary of Agriculture, Food and Markets, after consultation with the Secretary of Natural Resources, may issue a written exemption order to suspend the provisions of subsection (a) of this section if the Secretary determines that:

(1) a valid environmental emergency or agricultural emergency exists;

(2) the pesticide would be effective in addressing the environmental emergency or the agricultural emergency; and

(3) no other, less harmful pesticide or pest management practice would be effective in addressing the environmental emergency or the agricultural emergency.

(c) A written exemption order issued under subsection (b) of this section shall:

(1) not be valid for more than one year;

(2) specify the neonicotinoid pesticides, uses, and crops, or plants to which the exemption order applies; the date on which the exemption order takes effect; the exemption order's duration; and the exemption order's geographic scope, which may include specific farms, fields, or properties; and

(3) provide a detailed evaluation determining that an agricultural emergency or an environmental emergency exists.

(d) A written exemption order issued under subsection (b) of this section may:

(1) establish restrictions related to the use of neonicotinoid pesticides to which the exemption order applies to minimize harm to pollinator populations, bird populations, ecosystem health, and public health; or

(2) establish other restrictions related to the use of neonicotinoid pesticides to which the exemption order applies that the Secretary of Agriculture, Food and Markets considers necessary.

(e) Upon issuing a written exemption order under subsection (b) of this section, the Secretary of Agriculture, Food and Markets shall submit a copy of the exemption order to the Senate Committees on Natural Resources and Energy and on Agriculture; the House Committees on Environment and Energy and on Agriculture, Food Resiliency, and Forestry; and the Agricultural Innovation Board. The General Assembly shall post the written exemption order to the website of the General Assembly.

(f) The Secretary of Agriculture, Food and Markets, after consultation with the Secretary of Natural Resources, may rescind any written exemption order issued under subsection (b) of this section at any time. Such rescission shall come into effect not sooner than 15 days after its issuance.

Sec. 5. 6 V.S.A. § 918 is amended to read:

§ 918. REGISTRATION

(a) Every economic poison that is distributed, sold, or offered for sale within this State or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State shall be registered in the Office of the Secretary, and such registration shall be renewed annually, provided that products that have the same formula are manufactured by the same person, the labeling of which contains the same claims, and the labels of which bear a designation identifying the product as the same economic poison may be registered as a single economic poison, and additional names and labels shall be added by supplemental statements during the current period of registration. It is further provided that any economic poison imported into this State, which is subject to the provisions of any federal act providing for the registration of economic poisons and that has been duly registered under the provisions of this chapter, may, in the discretion of the Secretary, be exempted from registration under this chapter when sold or distributed in the unbroken immediate container in which it was originally shipped. The registrant shall file with the Secretary a statement including:

* * *

(f) ~~The~~ Unless the use or sale of a neonicotinoid pesticide is otherwise prohibited, the Secretary shall register as a restricted use pesticide any neonicotinoid pesticide labeled as approved for outdoor use that is distributed, sold, sold into, or offered for sale within the State or delivered for transportation or transported in intrastate commerce or between points within this State through any point outside this State, provided that the Secretary shall not register the following products as restricted use pesticides unless classified under federal law as restricted use products:

(1) pet care products used for preventing, destroying, repelling, or mitigating fleas, mites, ticks, heartworms, or other insects or organisms;

(2) personal care products used for preventing, destroying, repelling, or mitigating lice or bedbugs; and

(3) indoor pest control products used for preventing, destroying, repelling, or mitigating insects indoors~~; and~~

~~(4) treated article seed~~.

Sec. 6. 6 V.S.A. § 1105a(c) is amended to read:

(c)(1) Under subsection (a) of this section, the Secretary of Agriculture, Food and Markets, after consultation with the Agricultural Innovation Board, shall adopt by rule BMPs for the use in the State of:

(A) neonicotinoid treated article seeds when used prior to January 1, 2031;

(B) neonicotinoid treated article seeds when the Secretary issues a written exemption order pursuant to section 1105b of this chapter authorizing the use of neonicotinoid treated article seeds;

(C) neonicotinoid pesticides when the Secretary issues a written exemption order pursuant to section 1105c of this chapter authorizing the use of neonicotinoid pesticides; and

(D) the agricultural use after July 1, 2025 of neonicotinoid pesticides the use of which is not otherwise prohibited under law.

(2) In developing the rules with the Agricultural Innovation Board, the Secretary shall address:

(A) establishment of threshold levels of pest pressure required prior to use of neonicotinoid treated article seeds or neonicotinoid pesticides;

(B) availability of nontreated article seeds that are not neonicotinoid treated article seeds;

(C) economic impact from crop loss as compared to crop yield when neonicotinoid treated article seeds or neonicotinoid pesticides are used;

(D) relative toxicities of different neonicotinoid treated article seeds or neonicotinoid pesticides and the effects of neonicotinoid treated article seeds or neonicotinoid pesticides on human health and the environment;

(E) surveillance and monitoring techniques for in-field pest pressure;

(F) ways to reduce pest harborage from conservation tillage practices; and

(G) criteria for a system of approval of neonicotinoid treated article seeds or neonicotinoid pesticides.

~~(2)~~(3) In implementing the rules required under this subsection, the Secretary of Agriculture, Food and Markets shall work with farmers, seed companies, and other relevant parties to ensure that farmers have access to appropriate varieties and amounts of untreated seed or treated seed that are not neonicotinoid treated article seeds.

Sec. 7. 2022 Acts and Resolves No. 145, Sec. 4 is amended to read:

Sec. 4. IMPLEMENTATION; REPORT; RULEMAKING

(a) On or before March 1, 2024, the Secretary of Agriculture, Food, and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture, Food Resiliency, and Forestry a copy of the proposed rules required to be adopted under 6 V.S.A. § 1105a(c)(1)(A).

(b) The Secretary of Agriculture shall not file the final proposal of the rules required by 6 V.S.A. § 1105a(c)(1)(A) under 3 V.S.A. § 841 until at least 90 days from submission of the proposed rules to the General Assembly under subsection (a) of this section or July 1, 2024, ~~which ever~~ whichever shall occur first.

Sec. 8. CONTINGENT REPEAL

(a) 6 V.S.A. §1105b (use and sale of neonicotinoid treated article seeds; prohibition) shall be repealed if the prohibition on the use of neonicotinoid treated article seed in New York under N.Y. Environmental Conservation Law § 37-1101(1) is repealed.

(b) 6 V.S.A. § 1105c (neonicotinoid pesticides; prohibited uses) shall be repealed if the prohibition on the use of neonicotinoid pesticides on ornamental plants in New York under N.Y. Environmental Conservation Law § 37-1101(2) is repealed.

Sec. 9. EFFECTIVE DATES

(a) This section and Secs. 1 (findings), 2 (definitions), 5 (registration), 6 (BMP rules), 7 (implementation), and 8 (contingent repeal) shall take effect on passage.

(b) Sec. 4 (prohibited use; neonicotinoid pesticides) shall take effect on July 1, 2025, provided that the prohibition on the use of neonicotinoid pesticides on ornamental plants in New York under N.Y. Environmental Conservation Law § 37-1101(2) is in effect on July 1, 2025. If N.Y. Environmental Conservation Law § 37-1101(2) is not in effect on July 1, 2025, Sec. 4 of this act shall not take effect until the effective date of N.Y. Environmental Conservation Law § 37-1101(2).

(c) Sec. 3 (treated article seed) shall take effect on January 1, 2029, provided that the prohibition on the use of neonicotinoid treated article seed in New York under N.Y. Environmental Conservation Law § 37-1101(1) is in effect on January 1, 2029. If N.Y. Environmental Conservation Law § 37-1101(1) is not in effect on January 1, 2029, Sec. 3 of this act shall not take effect until the effective date of N.Y. Environmental Conservation Law § 37-1101(1).

Which proposal of amendment was considered and concurred in.

Message from the Senate No. 56

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered 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 with further proposal of amendment thereto in the adoption of which the concurrence of the House is requested.

Senate Proposal of Amendment Concurred in

H. 766

The Senate proposed to the House to amend House bill, entitled

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

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

First: By striking out Sec. 1, 8 V.S.A. § 4089i, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 8 V.S.A. § 4089i is amended to read:

§ 4089i. PRESCRIPTION DRUG COVERAGE

* * *

(e)(1) A health insurance or other health benefit plan offered by a health insurer or by a pharmacy benefit manager on behalf of a health insurer that provides coverage for prescription drugs and uses step-therapy protocols shall:

(A) not require failure, including discontinuation due to lack of efficacy or effectiveness, diminished effect, or an adverse event, on the same medication on more than one occasion for ~~continuously enrolled members or subscribers~~ insureds who are continuously enrolled in a plan offered by the insurer or its pharmacy benefit manager; and

(B) grant an exception to its step-therapy protocols upon request of an insured or the insured's treating health care professional under the same time parameters as set forth for prior authorization requests in 18 V.S.A. § 9418b(g)(4) if any one or more of the following conditions apply:

(i) the prescription drug required under the step-therapy protocol is contraindicated or will likely cause an adverse reaction or physical or mental harm to the insured;

(ii) the prescription drug required under the step-therapy protocol is expected to be ineffective based on the insured's known clinical history, condition, and prescription drug regimen;

(iii) the insured has already tried the prescription drugs on the protocol, or other prescription drugs in the same pharmacologic class or with the same mechanism of action, which have been discontinued due to lack of efficacy or effectiveness, diminished effect, or an adverse event, regardless of whether the insured was covered at the time on a plan offered by the current insurer or its pharmacy benefit manager;

(iv) the insured is stable on a prescription drug selected by the insured's treating health care professional for the medical condition under consideration; or

(v) the step-therapy protocol or a prescription drug required under the protocol is not in the patient's best interests because it will:

(I) pose a barrier to adherence;

(II) likely worsen a comorbid condition; or

(III) likely decrease the insured's ability to achieve or maintain reasonable functional ability.

(2) Nothing in this subsection shall be construed to prohibit the use of tiered co-payments for members or subscribers not subject to a step-therapy protocol.

(3) Notwithstanding any provision of subdivision (1) of this subsection to the contrary, a health insurance or other health benefit plan offered by an insurer or by a pharmacy benefit manager on behalf of a health insurer that provides coverage for prescription drugs shall not utilize a step-therapy, "fail first," or other protocol that requires documented trials of a medication, including a trial documented through a "MedWatch" (FDA Form 3500), before approving a prescription for the treatment of substance use disorder.

* * *

(i) A health insurance or other health benefit plan offered by a health insurer or by a pharmacy benefit manager on behalf of a health insurer shall cover, without requiring prior authorization, at least one readily available asthma controller medication from each class of medication and mode of administration. As used in this subsection, "readily available" means that the medication is not listed on a national drug shortage list, including lists maintained by the U.S. Food and Drug Administration and by the American Society of Health-System Pharmacists.

(j) As used in this section:

* * *

~~(j)~~(k) The Department of Financial Regulation shall enforce this section and may adopt rules as necessary to carry out the purposes of this section.

Second: By amending the bill in Sec. 3, 18 V.S.A. § 9418b(c) and (d), by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) ~~A health plan shall furnish, upon request from a health care provider, a current list of services and supplies requiring prior authorization.~~

(1)(A) Except as provided in subdivision (B) of this subdivision (1), a health plan shall not impose any prior authorization requirement for any admission, item, service, treatment, or procedure ordered by a primary care provider.

(B) The prohibition set forth in subdivision (A) of this subdivision (1) shall not be construed to prohibit prior authorization requirements for prescription drugs or for an admission, item, service, treatment, or procedure that is provided out-of-network.

(2) As used in this subsection, "primary care provider" has the same meaning as is used by the Vermont Blueprint for Health.

Third: By amending the bill in Sec. 9, effective dates, in subsection (b), by striking out "Sec. 3" both times it appears and inserting in lieu thereof Sec. 4.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. McCoy of Poultney** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House concur in the Senate proposal of amendment?, was decided in the affirmative. Yeas, 104. Nays, 23.

Those who voted in the affirmative are:

Andrews of Westford
Andriano of Orwell
Anthony of Barre City
Arrison of Weathersfield
Austin of Colchester
Bartholomew of Hartland
Bartley of Fairfax
Berbeco of Winooski *
Birong of Vergennes
Black of Essex *
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Branagan of Georgia
Brown of Richmond
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chase of Chester
Chase of Colchester
Christie of Hartford
Cina of Burlington
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Dolan of Waitsfield
Donahue of Northfield
Durfee of Shaftsbury
Emmons of Springfield
Farlice-Rubio of Barnet
Galfetti of Barre Town
Garofano of Essex
Goldman of Rockingham
Graning of Jericho
Headrick of Burlington
Holcombe of Norwich
Hooper of Burlington
Howard of Rutland City
Hyman of South Burlington*
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
LaBounty of Lyndon
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Lanpher of Vergennes
Laroche of Franklin
Leavitt of Grand Isle
Logan of Burlington
Long of Newfane
Masland of Thetford
McCann of Montpelier
Mihaly of Calais
Minier of South Burlington
Morris of Springfield
Mrowicki of Putney
Nicoll of Ludlow
Notte of Rutland City *
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Pajala of Londonderry
Patt of Worcester
Pouech of Hinesburg
Priestley of Bradford
Quimby of Lyndon
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax *
Sammis of Castleton
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury
Sibilia of Dover
Sims of Craftsbury
Small of Winooski
Stebbins of Burlington
Stevens of Waterbury
Taylor of Milton
Taylor of Colchester
Templeman of Brownington
Toleno of Brattleboro
Torre of Moretown

Corcoran of Bennington
Cordes of Lincoln *
Demrow of Corinth
Dodge of Essex
Dolan of Essex Junction
McCarthy of St. Albans City
McFaun of Barre Town
McGill of Bridport
Troiano of Stannard
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City

Those who voted in the negative are:

Beck of St. Johnsbury
Clifford of Rutland City
Demar of Enosburgh
Goslant of Northfield
Gregoire of Fairfield
Hango of Berkshire *
Harrison of Chittenden *
Higley of Lowell
Labor of Morgan
Maguire of Rutland City
Marcotte of Coventry
Mattos of Milton
McCoy of Poultney
Morgan of Milton
Morrissey of Bennington
Oliver of Sheldon
Page of Newport City
Peterson of Clarendon *
Shaw of Pittsford
Smith of Derby
Toof of St. Albans Town
Walker of Swanton
Williams of Granby

Those members absent with leave of the House and not voting are:

Arsenault of Williston
Brady of Williston
Brennan of Colchester
Brownell of Pownal
Burditt of West Rutland
Canfield of Fair Haven
Chapin of East Montpelier
Chesnut-Tangerman of Middletown Springs
Dickinson of St. Albans Town
Elder of Starksboro
Graham of Williamstown
Hooper of Randolph
Houghton of Essex Junction
Lipsky of Stowe
O'Brien of Tunbridge
Parsons of Newbury
Pearl of Danville
Squirrell of Underhill
Stone of Burlington
Surprenant of Barnard
Wood of Waterbury

Rep. Cordes of Lincoln explained her vote as follows:

"Madam Speaker:

As a nurse, I see every day how the prior authorization process and subsequent denials prevent patients from getting the medically necessary care they need or force them to accept a suboptimal treatment. It's long overdue to provide relief to our providers so that they can get back to what they do best - providing us with quality care without unnecessary and harmful delay."

Rep. Berbeco of Winooski explained her vote as follows:

"Madam Speaker:

Our population is aging, and our State's health needs are only growing. We have to streamline the path between us and the care we need. We have to remove the barriers one brick at a time that prevent our clinicians from delivering timely appropriate quality care."

Rep. Black of Essex explained her vote as follows:

"Madam Speaker:

We have much work to do when it comes to controlling the increasing costs of health care. But I know that denying clinically appropriate care and endangering Vermonters' health to save a couple of dollars isn't the way to do it."

Rep. Hango of Berkshire explained her vote as follows:

"Madam Speaker:

Although I support the premise behind this bill, I voted no because I could not be confident that the changes proposed by the Senate would not cause undue financial burden on certain populations of Vermonters."

Rep. Harrison of Chittenden explained his vote as follows:

"Madam Speaker:

I vote no to saddling Vermonters with higher health insurance premiums."

Rep. Hyman of South Burlington explained his vote as follows:

"Madam Speaker:

I want to thank your Committee on Health Care. The hours spent on prior authorization for my children every year, the constant visits to the pediatrician multiple times a year to only have things approved every time, is wasteful and overly demanding on people who can't afford to work, and it also reduces the ability of doctors to see patients with real needs."

Rep. Notte of Rutland City explained his vote as follows:

"Madam Speaker:

I vote yes on H.766. Our community of health care providers is stretched thin. Every hour spent on the phone with insurance companies is an hour denied to a Vermonter in need of treatment."

Rep. Peterson of Clarendon explained his vote as follows:

"Madam Speaker:

The prior authorization system needs change, there is no question about that. But this Senate amendment goes too far for me to support it. I wish the original bill was left unaltered."

Rep. Roberts of Halifax explained his vote as follows:

"Madam Speaker:

This bill gives me and my doctor a little more authority to make medical decisions about my body – not a for-profit consultant to the insurer who doesn't know me or my medical history."

Pending Entry on the Notice Calendar
Bill Referred to the Committee on Appropriations

S. 204

Senate bill, entitled

An act relating to supporting Vermont's young readers through evidence-based literacy instruction

Pending entry on the Notice Calendar, and pursuant to House Rule 35(a), carry an appropriation, was referred to the Committee on Appropriations.

Adjournment

At four o'clock and twenty-three minutes in the afternoon, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at nine o'clock and thirty minutes in the forenoon.

Friday, May 3, 2024

At nine o'clock and thirty minutes in the forenoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rep. Tristan Roberts of Halifax.

Bills Referred to Committee on Appropriations

Senate bills of the following titles, appearing on the Notice Calendar, carrying appropriations, under House Rule 35(a), were referred to the Committee on Appropriations:

S. 114

Senate bill, entitled

An act relating to the establishment of the Psychedelic Therapy Advisory Working Group

S. 159

Senate bill, entitled

An act relating to the County and Regional Governance Study Committee

Pending Entry on the Notice Calendar
Bill Referred to the Committee on Appropriations

S. 55

Senate bill, entitled

An act relating to authorizing public bodies to meet electronically under Vermont's Open Meeting Law

Pending entry on the Notice Calendar, and pursuant to House Rule 35(a), carrying an appropriation, was referred to the Committee on Appropriations.

Ceremonial Reading

H.C.R. 239

House concurrent resolution congratulating the 2024 Vermont finalists for the Presidential Awards for Excellence in Mathematics and Science Teaching

Offered by: Representatives McCann of Montpelier, Andrews of Westford, Andriano of Orwell, Anthony of Barre City, Arsenault of Williston, Austin of Colchester, Berbeco of Winooski, Bluemle of Burlington, Branagan of Georgia, Brumsted of Shelburne, Burke of Brattleboro, Buss of Woodstock, Carpenter of Hyde Park, Chapin of East Montpelier, Coffey of Guilford, Cole of Hartford, Demrow of Corinth, Dickinson of St. Albans Town, Dodge of Essex, Dolan of Waitsfield, Farlice-Rubio of Barnet, Goslant of Northfield, Graning of Jericho, Gregoire of Fairfield, Hango of Berkshire, Harrison of Chittenden, Holcombe of Norwich, Hooper of Burlington, Howard of Rutland City, LaBounty of Lyndon, Logan of Burlington, Mattos of Milton, McGill of Bridport, Minier of South Burlington, Morris of Springfield, Morrissey of Bennington, Ode of Burlington, Page of Newport City, Patt of Worcester, Peterson of Clarendon, Pouech of Hinesburg, Priestley of Bradford, Quimby of Lyndon, Small of Winooski, Stebbins of Burlington, Stone of Burlington, Taylor of Milton, Taylor of Colchester, White of Bethel, and Wood of Waterbury

Offered by: Senators Clarkson, Lyons, Perchlik, Vyhovsky, Watson, and Wrenner

Whereas, since 1983, the National Science Foundation, in collaboration with the White House Office of Science and Technology Policy, has annually presented the Presidential Awards for Excellence in Mathematics and Science

Teaching (PAEMST) to two teachers from each state and American jurisdiction who teach either science, technology, engineering, or mathematics, and

Whereas, on a rotating basis, the eligible applicants are either secondary or, as for the 2023–2024 academic year, elementary school teachers, and

Whereas, a state committee of prominent science and technology teachers and researchers reviews the applicants and selects a maximum of six teachers per state, and

Whereas, the factors considered include "evidence of deep content knowledge, exemplary pedagogical skills, student assessment expertise, reflective teaching, and leadership that results in improved student learning," and

Whereas, each jurisdictional awardee receives a $10,000.00 National Science Foundation award and an all-expenses-paid trip to Washington, DC, for the awards ceremony, recognition events, and professional development opportunities at which a maximum of two national awardees per state or jurisdiction are named, and

Whereas, in 2024, the fantastic Vermont teachers who earned PAEMST finalist status are Kathy Gingras (Washington Village School) for math, and Alyssa Castellini (Bethel Elementary School) and Jo Ann Harvey (Georgia Elementary School) for science, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly congratulates the 2024 Vermont finalists for the Presidential Awards for Excellence in Mathematics and Science Teaching, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to each teacher honored in this resolution.

Having been adopted in concurrence on Friday, April 26, 2024 in accord with Joint Rule 16b, was read.

Ceremonial Reading

H.C.R. 241

House concurrent resolution congratulating the drama students and theater department of U-32 High School on earning a berth at the 2024 New England Theatre Festival

Offered by: Representatives Chapin of East Montpelier, Donahue of Northfield, Goslant of Northfield, LaMont of Morristown, Mihaly of Calais, and Patt of Worcester

Whereas, two high school dramas from each New England state are annually presented at the New England Drama Council's New England Theatre Festival, held in 2024 at Attleboro (Massachusetts) High School, and

Whereas, U-32 High School's world premiere of their original play *Unspoken Word* was selected based on winning performances at the regional One Act Festival held at Hazen Union High School and at the subsequent Vermont Drama Festival conducted at Otter Valley Union High School, and

Whereas, the plot of *Unspoken Word* "centers around Piper, a tenth-grade student grappling with selective mutism, bullying, and the aftermath of her parents' divorce," and the storyline also includes the presence of Maria Sibylla Merian, a real-life 17th-century scientist and illustrator, and

Whereas, *Unspoken Word* was a collaboration between director and playwright Erin Galligan-Baldwin and U-32 High School junior Calister Boyd, and the script featured the poetry of students Nadia Gongloff-Doolittle, Ace LaFountain, Mayla Landis-Marinello, Evelyn Rocha, and Ella Thomas, and

Whereas, the exemplary student cast was Jakobi Kmiecik, Evelyn Rocha, Willoughby Mikus, Ari Jorgenson, Avery Cochran, Aliza Azarian, Calister Boyd, Ari Chapin, Mayla Landis-Marinello, Ace LaFountain, Dallas Sulton'El, Ella Thomas, Nadia Gongloff-Doolittle, Amelia Garland, Kai LaRosa, Brennan Swaim, and Ashlynn Hayes, and

Whereas, adult mentors Director Erin Galligan-Baldwin, Technical Director David Sanguinetti, Costume Advisor Amy Papineau, and Lighting Designer Joseph Sanguinetti oversaw the student technical wizards Cole Saunders, Annabelle Morland, Ruby McElwain, Jesse Batdorff, Jaden Singer, Anna Stoner, Baker Beauchamp, Ace LaFountain, Emma Canty, Mira Hamilton, Olivia Sumner, Connor Boccia-Cole, Nico Chan, Adam Greenberg, Vaughn O'Hanlon, Hazel Singer, Caleb Webster, and Aidan Wiseman, and

Whereas, U-32 Principal Steven Dellinger-Pate and Theater Program Assistant Sue Verchereau were proud of these exemplary thespians, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly congratulates the drama students and theater department of U-32 High School on earning a berth at the 2024 New England Theatre Festival, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to U-32 High School.

Having been adopted in concurrence on Friday, April 26, 2024 in accord with Joint Rule 16b, was read.

Third Reading;
Bills Passed in Concurrence with Proposal of Amendment

The following bills were severally taken up, read the third time, and passed in concurrence with proposal of amendment:

S. 98

Senate bill, entitled

An act relating to Green Mountain Care Board authority over prescription drug costs

S. 213

Senate bill, entitled

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

S. 301

Senate bill, entitled

An act relating to miscellaneous agricultural subjects

Proposal of Amendment Amended; Third Reading;
Bill Passed in Concurrence with Proposal of Amendment;
Rules Suspended, Messaged to the Senate Forthwith

S. 309

Senate bill, entitled

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

Was taken up and, pending third reading of the bill, **Rep. Shaw of Pittsford** moved to amend the House proposal of amendment in Sec. 18, 23 V.S.A. § 1251, by striking out subdivision (a)(4), in its entirety and inserting in lieu thereof a new subdivision (a)(4) to read as follows:

(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.

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

On motion of **Rep. McCoy of Poultney**, the rules were suspended and House action on the bill was ordered messaged to the Senate forthwith.

Second Reading; Bill Amended; Third Reading Ordered; Rules Suspended, All Remaining Stages of Passage; Third Reading; Bill Passed; Rules Suspended, Messaged to the Senate Forthwith

H. 503

Rep. Higley of Lowell, for the Committee on Government Operations and Military Affairs, to which had been referred House bill, entitled

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

Reported in favor of its passage when amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. CHARTER AMENDMENT APPROVAL

The General Assembly approves the amendments to the charter of the Town of St. Johnsbury as set forth in this act. Voters approved the proposals of amendment on November 8, 2022.

Sec. 2. 24 App. V.S.A. chapter 151 is amended to read:

CHAPTER 151. TOWN OF ST. JOHNSBURY

Subchapter 1. Powers of the Town

* * *

~~§ 2A. TAXATION FOR BONDS AND NOTES~~

~~Notwithstanding subsection 2(b) of this charter, all taxable property in the Town of St. Johnsbury shall be subject to the levy of unlimited ad valorem taxes to pay bonds and notes authorized by the voters of the Town for water purposes.~~

~~§ 3. SETTLEMENT OF VILLAGE AFFAIRS~~

~~The officers of the Village of St. Johnsbury shall, prior to the date when 1957 Acts and Resolves No. 345, as amended, goes into effect, settle, so far as possible, the pecuniary affairs of the Village of St. Johnsbury, and shall, except as hereinafter provided, on said date turn over and deliver to the Clerk of the Town of St. Johnsbury, all the records, books, and documents of the Village of~~

~~St. Johnsbury, and to the proper officers of the said Town all other property of the said Village.~~

~~§ 4. AUTHORITY; ANNUAL MEETING~~

~~(a) Said Town shall have and is hereby granted the authority to exercise all powers relating to municipal affairs and no enumeration of powers in this charter shall be deemed to limit or restrict the general grant of authority hereby conferred; but this grant of authority shall not be deemed to limit the authority of the Legislature to alter, amend, or repeal this charter; or to limit the right to hereafter pass general laws applicable alike to this and all other municipal corporations of the State; nor shall this grant of authority be deemed to limit the patronage or control of the State with respect to said Town.~~

~~(b) The Town shall start its annual meeting at 7:30 o'clock in the afternoon of the day before the first Tuesday of March 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 of March. Discussion shall be permitted at such meetings on all articles contained in the warning for the annual meeting. A meeting so started shall be adjourned until the following day.~~

~~§ 5. POWERS~~

~~Under the general grant of authority contained in and conferred upon the town by section 4 of this charter, the Town of St. Johnsbury may exercise the following powers and functions:~~

~~(1) To levy, assess, and collect taxes in order to carry out its powers to appropriate and to borrow money within the limits prescribed by the general laws, and to collect special assessments for benefits conferred.~~

~~(2) To furnish all local public services, including without limiting the generality of the foregoing a water system, electric light and power system, and a sewage system and disposal plant; to purchase, hire, construct, own, maintain, and operate or lease local public utilities subject to chapter 411 of V.S. 47; to acquire, by condemnation or otherwise, within or without the limits of said Town, property necessary for any such purpose, subject to restrictions imposed by the general law for the protection of other communities.~~

~~(3) To make local public improvements and to acquire, by condemnation or otherwise, property within its corporate limits necessary for such improvements; and also to acquire an excess over that needed for any such improvement, and to sell or lease such excess property with restrictions, in order to protect and preserve the improvement.~~

~~(4) To acquire by gift or purchase, sell, convey, lease, assign, maintain, and service real and personal property as may be necessary or incidental to the exercise of its municipal powers, duties, and functions and to exercise in connection therewith any incidental powers as may be necessary to preserve and maintain the value of any such property once lawfully acquired.~~

~~(5) To issue and sell bonds on the security of any such property, or of any public utility owned by the Town, or of the revenues thereof, or of both, including in the case of a public utility, if deemed desirable by the Town, a franchise stating the terms upon which, in case of foreclosure, the purchaser may operate such utility.~~

~~(6) To purchase or lease lands within or without the corporate limits of the Town, to lay out or widen streets, highways, lanes, commons, alleys, and walks, to provide places of healthy recreation in summer or in winter such as a skating rink, a swimming pool, a playing field, a public park; to provide for tourist camping sites, and aviation landing field, and a municipal forest reserve; and for any municipal purposes whatever.~~

~~(7) To adopt and enforce within its limits local police, sanitary, zoning, Town planning, and other similar regulations, not in conflict with the laws of this State.~~

~~(8) To establish and maintain a fire department.~~

~~(9) To establish and maintain a police department, to provide for the appointment of police officers, who shall be sworn and who shall have the same powers as constables in the service of civil and criminal process, and such further special authority as may be provided in the bylaws or ordinances of said Town enacted under authority of law. Such fire and police departments may be consolidated into one department if the Town shall so vote.~~

~~(10) To appropriate annually money for the maintenance, care, improvement, and support of Fairbanks Museum, so long as the same shall remain a nonprofit institution for the promotion of education.~~

* * *

~~§ 7. BYLAWS~~

~~In meetings duly warned for the purpose, the Town of St. Johnsbury shall have power to make, alter, repeal, or amend bylaws that, together with the ordinances and regulations adopted by the Selectboard, shall regulate its affairs and shall carry into effect the provisions and intent of this charter.~~

~~§ 8. ORDINANCES AND REGULATIONS~~

~~The Selectboard of the Town of St. Johnsbury, consistent with the Constitution and laws of the United States and of this State, shall have the power and authority to make, establish, impose, alter, amend, or repeal ordinances and regulations and to enforce the same by fine, penalty, forfeiture, injunction, restraining order, or any proper remedy, with respect to the inspection, regulation, licensing, or suppression of the following affairs, establishments, employments, enterprises, uses, undertakings, and businesses, viz:~~

~~(1) The sale and measurement of wood, coal, oil, and all other fuels; hay scales; markets dealing in meat, fish, and foodstuffs; slaughterhouses; groceries; restaurants, lunch carts, and other eating establishments; all places where beverages are manufactured, processed, bottled, or sold; manufacturing establishments; saloons; taverns; innkeepers; hotels; motels; rooming houses; junk businesses; advertising billboards; overhanging signs and awnings; billiard rooms; pool rooms; bowling alleys; public halls; dance halls; theaters; moving picture houses; all places where tobacco, cigars, and cigarettes are manufactured or sold; repair shops; brickyards; stone sheds; blacksmith shops; public garages; the transportation, storage, and sale of propane gas, naphtha, gasoline, kerosene, fuel oil, and other inflammable oils; the breeding, raising, and keeping of horses, cattle, swine, poultry, mink, foxes, furbearing, and other domestic animals; coal sheds; wood yards; creameries, dairies; dyeing establishments; garbage plants; gas works; livery stables; skating rinks; sewers; cesspools; privies; cow stables, barns; wells; and public dumps; oil and gasoline storage tanks, and gasoline filling stations.~~

~~(2) Processions, parades, traveling showmen, shows, circuses, menageries, carnivals, clairvoyants, mendicants, fortune tellers, spiritualists, mediums, itinerant vendors, peddlers, auctioneers, pawnbrokers, professional and amateur sports.~~

~~(3) The use of streets and highways; the regulation of traffic, both vehicular and pedestrian; taxicabs and all vehicles, exclusive of motor buses, used in the conveyance for hire of persons or goods; the parking, operation, and speed of vehicles; guide posts, street signs, and street safety devices; milk and cream businesses and routes.~~

~~(4) Cruelty to animals; fast driving; the going at large of animals; and the keeping of bees.~~

~~(5) The erection of poles, and the placing of wires, cables, and pipes, subject to the provision of chapter 409 V.S. 47; the laying of water mains and sewers; the excavating of streets; the disposal of refuse, filth, and animal~~

~~carcasses; the throwing or dumping of ashes, waste paper, handbills, circulars, or rubbish of any sort; the planting, preservation, or destruction of shade trees.~~

~~(6) The transportation, manufacture, storage, and sale of gunpowder, ashes, lime, matches, fireworks, explosives, acids, and other dangerous or combustible materials.~~

~~(7) The cleaning of public sidewalks and gutters, and the removal therefrom of snow, ice, litter, garbage, stands, tables, boxes, and other materials encumbering or obstructing any public sidewalk, street, or way.~~

~~(8) A building code; the construction, repair, and alteration of chimneys, flues, stovepipes, furnaces, fireplaces, and heating apparatus and plumbing facilities of all kinds.~~

~~(9) Nuisances, bawdyhouses, gaming houses; racing pools; gambling instruments of all kinds; noisome and offensive places and occupations; loafing, obscenity, and ribaldry upon the Town streets and highways; vagrancy; riots, disturbances, disorderly assemblies, and all breaches of the peace; pollution of the public water supply.~~

~~§ 9. PUBLICATION OF BYLAWS AND ORDINANCES~~

~~The bylaw adopted by the Town and the ordinances and regulations passed by the Selectboard, whether enacted under the authority of general or special law, shall be published in a newspaper having general circulation in said Town at least 20 days before the effective date thereof, and all such enactments shall thereupon be recorded at length by the Town Clerk in a book kept for that purpose in the office of the Town Clerk, and the Town Clerk's certificate that such bylaws, ordinances, and regulations were duly adopted and passed at an annual meeting of said Town or at a special meeting thereof lawfully called for that purpose or were duly enacted and adopted by the Selectboard of the Town under authority of law or under authority of a vote of the Town shall be prima facie evidence of such fact in any court in this State; and certified copies of said bylaws, ordinances, and regulations and the Clerk's certificates shall be received as evidence in all the courts of the State.~~

~~§ 10. PENALTIES~~

~~(a) Fines, penalties, and forfeitures up to and including $200.00, for each breach of an ordinance or bylaw, may be established by the Selectboard, or by a properly warned Town meeting. These fines, penalties, and forfeitures may be recovered in an action of tort brought in the name of the Town, and in any such action a general complaint relying on the ordinance or the bylaw shall be sufficient. The process may issue either against the body or the property of the defendant, and if the defendant is found guilty, and if it is found by the court that the cause of action arose from his or her willful or malicious act or~~

~~neglect, it shall so adjudge, and may further adjudge that he or she be confined in close jail, and may issue execution against his or her body with a certificate of such findings endorsed thereon; and such execution with such certificate thereon shall have the same effect as an execution issued on a judgment founded upon tort having a like certificate endorsed thereon.~~

~~(b) Any person refusing to comply with any Town ordinance or bylaw, relating to his or her business may be enjoined by a proper action in chancery brought in the name of the Town, from continuing such business in violation of such ordinance or bylaw, and in any such action a bill relying on the ordinance or bylaw shall be sufficient.~~

~~(c) Nothing in this section shall be construed to prevent the Town from having and exercising such other powers as may be proper to enforce obedience to its ordinances and bylaws and to punish violations thereof.~~

~~§ 11. PROSECUTION OF VIOLATIONS~~

~~All violations of ordinances or bylaws may be prosecuted in behalf of the Town by its attorney, or police officers, or by any other duly authorized prosecuting officer, before the Caledonia Municipal Court; and all fines, penalties, or forfeitures recovered by the said Town for violations of such ordinances or bylaws shall be paid into the Town Treasury.~~

~~§ 12. OFFICERS~~

~~The elective officers of the Town shall be those authorized by the general laws of this State, except that notwithstanding the provisions of section 3509 of the Vermont Statutes, Revision of 1947, the listers shall be appointed annually by the Selectboard, unless the Town at an annual or special meeting duly warned for that purpose shall vote otherwise.~~

~~§ 12a. COMPENSATION AND FEES~~

~~(a) The Selectboard shall annually consider, and from time to time set, the compensation of the following officers:~~

~~(1) Town Manager;~~

~~(2) Constable;~~

~~(3) members of the Board of Assessment.~~

~~(b) The Town Clerk and the Selectboard shall jointly set the compensation of the Town Clerk each year. The Town Treasurer and the Selectboard shall jointly set the compensation of the Town Treasurer each year. If the Selectboard and the Town Clerk or Town Treasurer are unable to agree on the amount of either officer's compensation, that officer's compensation shall be set by vote of the Town and the Selectboard shall include an article or articles~~

~~in the annual meeting warning to that effect. The article or articles shall be adopted or modified by the vote of the majority of those eligible to vote who are present at the meeting. The article or articles shall not be voted on by Australian ballot.~~

~~(c) The Town Manager, with the approval of the Selectboard, shall set the compensation of all other town officers and employees.~~

~~* * *~~

~~§ 13. EXPIRATION OF TERMS OF SELECTBOARD MEMBERS UPON MERGER~~

~~Upon such effective date of the merger of the Village of St. Johnsbury and the Town of St. Johnsbury the Selectboard members shall continue in office for the remainder of their respective terms and the other officers of the Town of St. Johnsbury shall continue in office until the first Tuesday in March next following, and their successors shall have been elected or appointed; and the ordinances of the Village of St. Johnsbury then in force shall remain of full force and effect, following the effective date of this act for a period of one year only, so far as such ordinances shall continue to be applicable and appropriate, except as repealed, amended, altered, or modified by the Selectboard of the Town of St. Johnsbury, and as respects only that part of the Town of St. Johnsbury comprised within the limits of the Village of St. Johnsbury, as defined by 1927 Acts and Resolves No. 179.~~

~~§ 14. AUTHORITY TO MERGE; EXPIRATION~~

~~The authority granted by this charter to the Village of St. Johnsbury and the Town of St. Johnsbury to merge shall expire 20 years from the date of the passage and adoption of this charter unless all of the municipalities mentioned herein shall have voted to adopt the provisions hereof within such period~~

~~* * *~~

~~§ 18. BOARD OF ASSESSMENT~~

~~(a) Creation. There is hereby created a Board of Assessment composed of the three listers.~~

~~(b) Duties. The Board of Assessment shall exercise all powers and duties with respect to grievances, otherwise imposed upon the listers or a board of listers under the laws of the State of Vermont, except as otherwise provided in this charter.~~

~~* * *~~

~~§ 20. UNDESIGNATED RESERVE FUND~~

~~The Selectboard may annually reserve any surplus in the essential services budget, not to exceed five percent of the budget, for the purpose of establishing an undesignated reserve fund. The reserve fund shall be kept in a separate account and invested as are other public funds and may be expended for purposes as may be authorized by a majority of the voters present and voting at an annual or special meeting duly warned.~~

§ 101. ADDITIONAL TOWN POWERS

In addition to powers otherwise conferred by law, the Town of St. Johnsbury is authorized to adopt, amend, repeal, and enforce ordinances:

(1) relating to collection and removal of garbage, ashes, rubbish, refuse, waste, and scrap by the Town and establishment of rates to be paid to the Town for such service; and

(2) relating to construction and alteration of public and private buildings and the use thereof, including establishment of minimum standards for plumbing, heating, and wiring, so as to prevent hazardous and dangerous conditions, fires, and explosions by precautionary regulations and inspection.

§ 102. INITIATIVE; ADVISORY VOTES

The voters of the Town have the power to petition for a nonbinding advisory vote to reflect public sentiment. The petition shall be signed by at least five percent of the voters of the Town and shall state that it is advisory only. The Select Board, upon receipt of the petition, shall place the article on the warning for the next Town meeting or any other Town election.

Subchapter 2. Town Officers

§ 201. ELECTIVE OFFICERS

(a) The elective officers of the Town shall be five Select Board members elected from the Town at large at a duly warned annual town meeting; a Town Clerk; a Treasurer; and a Moderator, unless by a majority vote of the Town the Moderator becomes an appointed position.

(b) Select Board terms shall include three positions with a three-year term and two positions with a one-year term. All other elective officers shall hold office for a three-year term. The term shall expire the first day following the annual Town meeting.

§ 202. APPOINTIVE OFFICERS

(a) The Select Board members shall annually appoint a Constable and other officers required by law or this charter, the appointments to be made as vacancies occur in the elected positions.

(b) The Select Board members may create appointive officers not provided for by this charter or required by law as they deem to be in the best interests of the Town.

§ 203. COMPENSATION

(a) Compensation paid to the Select Board members shall be set by the voters at Town meeting.

(b) Subject to subsection (a) of this section, the Select Board shall fix the compensation of all elective officers and of all officers appointed by the Select Board.

(c) The Town Manager, under policies approved by the Select Board, shall fix the compensation of all other officers and employees whose compensation is not fixed by the Select Board pursuant to subsection (b) of this section.

Subchapter 3. Select Board

§ 301. SELECT BOARD; LEGISLATIVE BODY

The Select Board shall constitute the legislative body of the Town of and shall have all powers and authority necessary for the performance of the legislative function.

§ 302. ADDITIONAL POWERS OF THE SELECT BOARD

In addition to powers otherwise conferred by law, the Select Board is authorized to adopt, amend, repeal, and enforce ordinances:

(1) regulating the parking and operation of motor vehicles; including, in accordance with any other provisions of law, the establishment of speed zones wherein the limit is less than 20 miles per hour, all as may be required by the safety and welfare of the inhabitants of the Town;

(2) relating to regulation, licensing, and prohibition of the storage and accumulation of junk cars, garbage, ashes, rubbish, refuse, waste, and scrap and the collection, removal, and disposal of such materials; and

(3) relating to restraining the running at large of dogs, cats, and other domestic animals, including any such animals as may be kept by residents of the town, whether classified as domestic, exotic, or otherwise.

§ 303. FURTHER POWERS OF THE SELECT BOARD

In addition to powers otherwise conferred by law, the Select Board members shall also have the power to:

(1) create, consolidate, or dissolve departments as necessary or relevant for the performance of municipal services;

(2) create, consolidate, or dissolve commissions and committees as necessary or relevant and appoint the commission and committee members;

(3) provide on an annual basis an independent audit of all Town financial records by a certified public accountant;

(4) inquire into the conduct of any officer, commission, or department and investigate any and all municipal affairs; and

(5) discharge all duties devolving on the Town Agent by general law and hire attorneys on behalf of the Town.

§ 304. ORGANIZATION OF THE SELECT BOARD

(a) Forthwith after the annual meeting of the town, the Select Board members shall organize and elect a Chair and Vice Chair.

(b) The Chair of the Board, or in the Chair's absence, the Vice Chair, shall preside at all meetings of the Board and the presiding officer shall be a voting member of the Board.

(c) When a vacancy occurs on the Select Board, the remaining members may fill the vacancy by appointment of a registered voter of the Town, such appointment to be for the period until the next annual meeting, when the voters of the Town shall fill the vacancy.

(d) The Board shall fix the time and place of its regular meetings to be held at least twice a month.

(e) The presence of three members shall constitute a quorum.

Subchapter 4. Town Manager

§ 401. APPOINTED BY THE SELECT BOARD

The Select Board members shall appoint a Town Manager for an indefinite term and upon such conditions as they may determine.

§ 402. TOWN MANAGER NONPARTISAN

(a) The Town's interests in preserving integrity and efficiency in the execution and management of its government are best served by a Town Manager who is prohibited from the fact and appearance of political partisanship in the operation of the office.

(b) The Town Manager shall be chosen solely on the basis of the individual's executive, administrative, and professional qualifications.

(c) The Town Manager shall not take part in the organization or direction of a political party, serve as a member of a party committee, or be a candidate for election to any partisan office.

§ 403. OATH AND BOND

Before entering upon the Manager's duties, the Town Manager shall be sworn to the faithful performance of the Manager's duties by the Town Clerk and shall be bonded in an amount and with sureties as the Select Board may require.

§ 404. DUTIES FOR MANAGER

(a) The Town Manager shall be the Chief Executive Officer of the Town and shall:

(1) Carry out the policies established by the Select Board, to whom the Town Manager shall be accountable.

(2) Attend all meetings of the Select Board, except when the Manager's compensation or removal is being considered; keep the Select Board informed of the financial condition and future needs of the Town; and make any other reports that may be required by law, requested by the Select Board, or deemed by the Manager to be advisable.

(3) Perform all other duties prescribed by this charter or required by law or by resolution of the Select Board.

(4) Be an ex-officio member of all standing committees except the Development Review Board and shall not vote.

(5) Prepare an annual budget, submit it to the Select Board, and be responsible for its administration after adoption.

(6) Compile for general distribution at the end of each fiscal year a complete report on the finances and administrative activities of the Town for the year.

(7) Provide to the Select Board a monthly financial statement, with a copy to the Town Treasurer.

(8) Perform all duties now conferred by law on the Road Commissioner within all areas of the Town, except within villages that vote not to surrender their charters under this charter, notwithstanding the provisions of 24 V.S.A. § 1236(5).

(9) Perform all duties now conferred by law on the Collector of Delinquent Taxes.

(l0) Under policies approved by the Select Board, be the General Purchasing Agent of the Town and purchase all equipment and supplies and contract for services for every department pursuant to the purchasing and bid policies approved by the Select Board.

(11) Be responsible for the system of accounts.

(12) Be responsible for the operation of all departments, including the Police and Fire Departments.

(13) Under policies approved by the Select Board, have exclusive authority to appoint, fix the salaries of, suspend, and remove, all officers and employees except those who are elected or who are appointed by the Select Board. When the Town Manager position is vacant, this authority shall be exercised by the Select Board.

(b) The Town Manager may, when advisable or proper, delegate to subordinate officers and employees of the Town any duties conferred upon the Manager.

§ 405. COMPENSATION

The Town Manager shall receive such compensation as may be fixed by the Select Board.

§ 406. APPOINTMENTS

Except for those appointments made by the Select Board as provided for in this charter, the Town Manager shall appoint and remove all Town employees, including Chief of the Fire Department, Chief of Police, Director of Public Works, Assistant Town Manager, Finance Director, Zoning Administrator, Assessor, Code Compliance Officer, Health Officer, Parks Director and Tree Warden, Recreation Director, and all other officers and employees as may be required by general law of the State, by this chapter, or by the Select Board.

§ 407. REMOVAL OF THE TOWN MANAGER

(a) The Town Manager may be removed from office for cause, by a majority vote of the Select Board at a duly warned meeting for that purpose, as provided by general law or employment contract. At least 30 days prior to the effective date of the removal, the Select Board shall by majority vote of its members adopt a resolution stating the reason for the removal and cause a copy of such resolution to be given to the Manager. The Select Board may by such resolution immediately suspend the Town Manager from active duty but

shall continue the Manager's salary until final dismissal, unless otherwise contracted between the Select Board and the Town Manager.

(b) Town Manager appointments shall continue until removed by the Town Manager. Removals by the Town Manager shall be in accordance with any personnel policy or plan adopted.

Subchapter 5. Taxation

§ 501. TAXES

Taxes shall be assessed by the Town based on the fair market value of real property, in accordance with State law.

§ 502. FAIR MARKET VALUE OF REAL ESTATE

(a) In the event that the fair market value of real estate is materially changed because of total or partial destruction of or damage to the property or because of alterations, additions, or other capital improvements, the taxpayer may appeal as provided by law.

(b) When the fair market value of real estate is finally determined by appeal to the Board of Civil Authority, then the value so fixed shall be the fair market value of the real estate for the year in which the appeal is taken.

(c) When the fair market value of real estate is finally determined by the Director of Property Valuation and Review (PVR) or by a court having jurisdiction, then the value so fixed shall be the fair market value of the real estate for the year for which such appeal is taken and for the ensuing two years unless the taxpayer's property is altered materially; is damaged; or if the Town in which it is located has undergone a complete revaluation of all taxable real estate, in the event of which, such fair market value may be changed.

§ 503. SPECIAL ASSESSMENTS

Despite any contrary provision in general law, the Select Board may in its sole discretion make a special assessment upon real estate for the installation or construction of a public improvement, the special assessment to be the proportion of the total cost of the improvement as the benefit to a parcel of real estate bears to the total benefit resulting to the public in general.

§ 504. CREATION OF ST. JOHNSBURY DOWNTOWN DISTRICT

There is hereby created in the Town of St Johnsbury a special district to be known as the St. Johnsbury Downtown Improvement District which shall be that area set forth on a map approved by the voters of St. Johnsbury and filed with the Town Clerk. The area of the District may be changed upon a majority vote of the legal voters at an annual or special meeting duly warned.

§ 505. DOWNTOWN DISTRICT; PURPOSE AND POWERS

(a) The District is created for the general purpose of maintaining and improving the economic, social, cultural, and environmental vitality and quality of the Town of St. Johnsbury, in particular, the District created by section 506 of this charter, to promote the Town and the District as a regional retail, commercial, and service center and to serve as an advocate for the orderly development of the District in order to encourage expansion of the retail, commercial, and service base of the District and the Town by attracting new business and investment.

(b) The rights, powers, and duties of the District shall be exercised by the Select Board and shall be broadly construed to accomplish the purposes set forth above and shall include the following:

(1) to advertise and promote the Improvement District;

(2) to represent the interests of the District;

(3) to receive and expend contributions, grants, and income;

(4) to expend funds as provided for in the budget or as otherwise approved;

(5) to manage and maintain public spaces and to assume or supplement the services and maintenance heretofore provided to the District by the Town as recommended to and approved by the Select Board;

(6) to acquire and dispose of property on behalf of the Town;

(7) to install and make public improvements;

(8) to improve, manage, and regulate public parking facilities and vehicular traffic within the District;

(9) to enter into contracts as may be necessary or convenient to carry out the purpose of this charter;

(10) to regulate, lease, license, establish rules and fees, and otherwise manage the use of public spaces within the District;

(11) to plan for the orderly development of the District in cooperation with the Town Planning Commission;

(12) to do all other things necessary or convenient to carry out the purposes for which this District was created; and

(13) to appropriate annually money for the maintenance, care, improvement, and support of Fairbanks Museum, provided the same shall remain a nonprofit institution for the promotion of education.

§ 506. DOWNTOWN DISTRICT; ANNUAL BUDGET

The Town Manager shall submit each year an operating budget of anticipated expenditures and revenues to the Select Board for approval for the next fiscal year. In the event the Select Board does not approve the budget as submitted, the Select Board shall immediately return the budget to the Town Manager with its recommendations for the Town Manager's reconsideration. Appropriations other than from contributions, grants, and income shall be raised solely through District taxes that shall be assessed and collected as a tax on property as provided for in section 508 of this charter. The Select Board may borrow money in anticipation of District taxes.

§ 507. DOWNTOWN DISTRICT; TAXES

(a) District taxes are charges levied upon the owners of taxable properties located in the District, excepting properties used exclusively for residential purposes, which taxes shall be used to defray the expenses incurred in connection with the operation, maintenance, and repair of the District.

(b) The District tax for each property in the District subject to the tax shall be based upon a rate on each $100.00 of listed value of the property as adjusted under subsection (c) of this section. The tax rate shall be determined by dividing the amount to be raised by taxes by the total value of the taxable properties on the grand list as adjusted located in the District that are subject to the District tax under this subchapter.

(c) The District tax shall be set by the Select Board upon approval of the budget by the Select Board and notice in writing thereof shall be given to owners of record as of April 1 of each year of property so assessed, or to their agents or attorneys , stating therein the amount of such District taxes, and such taxes shall be due and payable to the Town Treasurer when normal Town and school taxes are due. The Town Treasurer shall collect unpaid District taxes as provided for the collection of taxes in the charter. District taxes shall be a lien on the properties when assessed and until the tax is paid or the lien is otherwise discharged by operation of law.

(d) In the case of any property used for both residential and nonresidential purposes within the District as of April 1, the Department of Assessment shall adjust the listed value for the purposes of determining the District tax under this section to exclude the value of that portion of the property used for residential purposes. The Department of Assessment shall determine the adjusted grand list value of the business portion of the property and give notice of the same as provided under 32 V.S.A. chapter 131. Any property owner may file a grievance with the Board and appeal the decision of the Board as provided for under 32 V.S.A. chapter 131; however, the filing of an appeal of

the determination of the Board and pendency of the appeal shall not vacate the lien on the property assessed, and the District taxes must be paid and continue to be paid as they become due.

Subchapter 6. Water and Wastewater Systems

§ 601. TOWN POWERS

The Town may make, alter, and repeal ordinances relating to management, operation, maintenance, replacement, and extension of a Town water and wastewater systems and may fix, and from time to time alter, water and wastewater rates.

Subchapter 7. Miscellaneous

§ 701. CHARTER REVIEW COMMITTEE

At least once every five years, the Select Board shall appoint a Charter Review Committee of not fewer than five nor more than nine members from among the residents of the Town. The Committee shall review the charter and recommend any changes it finds necessary or advisable for the purpose of improving the operation of Town government. The Committee shall prepare a written report of its recommendations in time for those recommendations to be submitted to the Select Board for review not later than one year after the appointment of the Committee. At the discretion of the Select Board, the recommendations may be warned for ballot vote at an annual or special Town meeting to be held not later than one year after the submission of the report. The Select Board shall provide in its budget for any year when a Charter Review Committee is appointed funding for the Committee.

Sec. 3. REDESIGNATIONS

In 24 App. V.S.A. chapter 151, §§ 1, 12b, 15, 16, and 21 are redesignated as §§ 702, 204, 703, 705, and 205 respectively.

Sec. 4. 24 App. V.S.A. chapter 151, § 2 is redesignated and amended to read:

§ ~~2~~ 508. ASSETS TRANSFERRED; LIABILITIES; TAXATION; SPECIAL SERVICES~~; DOWNTOWN IMPROVEMENT DISTRICT~~

* * *

~~(e) A special district to be known as the St. Johnsbury Downtown Improvement District (District) is created. The District shall be that area consisting of properties with frontage on either side of Railroad Street from Cross Street to Maple Street and seven additional properties on Eastern Avenue and Pearl Street. The District is more precisely shown on the Plan "St.~~

~~Johnsbury Downtown Improvement District, Revised January 3, 1997" and recorded with the Town Clerk in the Town of St. Johnsbury.~~

~~(1) Commission Creation; Membership. A St. Johnsbury Downtown Improvement District Commission (Commission) is created consisting of seven members appointed by the Selectboard. Five members shall be, at the time of appointment and during their terms, natural persons who are owners of property, managers, proprietors, operators, officers, or directors of businesses located within the District who shall be appointed to serve for a term of five years and until their successors are appointed and qualified, except that the terms of the first five commissioners shall be from the date of appointment until one year, two years, three years, four years, and five years after April 1, 1997, respectively. One member shall be a member at large who shall be, at the time of appointment and during his or her term, a legal resident of the Town of St. Johnsbury, who shall be appointed to serve for the term of five years commencing the first day of April and until the member's successor is appointed and qualified. One member shall be a Selectboard member, or an employee of the Town of St. Johnsbury, who shall be appointed to serve for a term of one year commencing the first day of April and until the member's successor is appointed and qualified. The Commission shall have a Chair and Vice Chair elected by the Commission members. Any vacancy shall be filled by the appointing authority for the remainder of the unexpired term. Commissioners may be removed by unanimous vote of the Selectboard.~~

~~(2) Purposes and Powers. The Commission is created for the general purpose of maintaining and improving the economic, cultural, and environmental vitality and quality of the Town of St. Johnsbury and, in particular, the District created by this subsection; to promote the Town and the District as a regional retail, commercial, and service center; and to serve as an advocate for orderly development of the District in order to encourage expansion of the retail, commercial, and service base of the District and the Town by attracting new business and investment.~~

~~The rights, powers, and duties of the Commission acting on its own authority or acting through the Town of St. Johnsbury Selectboard, as set forth in this section, shall be broadly construed to accomplish the purposes set forth within the District and shall include the following:~~

~~(A) to prepare a budget (the "budget") for the District in accordance with subdivision (1) of this subsection;~~

~~(B) to advertise and promote the District;~~

~~(C) to represent the interests of the District;~~

~~(D) to hire and remove personnel as provided for in the budget or as otherwise approved by the Selectboard;~~

~~(E) to apply for available governmental grants in aid and economic and in kind incentives when approved by the Selectboard;~~

~~(F) to receive and expend contributions, grants, and income;~~

~~(G) to apply for an allocation of the State's private activity bond volume cap under 26 U.S.C. § 141, as amended, when approved by the Selectboard;~~

~~(H) to expend funds as provided for in the budget or as otherwise approved by the Selectboard;~~

~~(I) to manage and maintain public spaces and to assume or supplement the services and maintenance heretofore provided the District by the Town as recommended to and approved by the Selectboard;~~

~~(J) to acquire and dispose of property as recommended to and approved by the Selectboard;~~

~~(K) to install and make public improvements as recommended to and approved by the Selectboard;~~

~~(L) to cooperate with the Town in the use, management, and improvement of public parking facilities and to undertake such management or improvements and to regulate vehicular traffic within the district as recommended by the Selectboard;~~

~~(M) to enter into contracts;~~

~~(N) to regulate, lease, license, establish rules and fees, and otherwise manage the use of public spaces within the District;~~

~~(O) to plan for the orderly development of the District in cooperation with the Town Planning Commission and as recommended to and approved by the Selectboard;~~

~~(P) to do all other things necessary or convenient to carry out the purposes of this subsection except that the Commission may not assume authority over any subject matter or activity under the jurisdiction of another Town official, department, or board as of the effective date of this subsection or contrary to any order or ordinance in effect as of such date other than to hire and remove personnel under contract or employed by the Commission, unless and until the Selectboard, by order, transfers such jurisdiction to the Commission, notwithstanding section 8 of the charter, or amends the order or ordinance.~~

~~(3) Annual Budget. Annually the Commission shall submit to the Selectboard for approval for the next fiscal year a capital and operating budget of revenues and expenditures that shall be used exclusively to repay debt on capital improvements in the District and to defray the expenses incurred by the Commission in connection with the operation, maintenance, and repair of the District. In the event the Selectboard does not approve the budget as submitted, the Selectboard shall return the budget forthwith to the Commission with its recommendations for the Commission's reconsideration. Appropriations other than from contributions, grants, and income for the Commission shall be raised through common area fees that shall be assessed and collected as tax on property as provided for in this subsection. The Commission may, upon adoption of the annual budget and upon approval of the Selectboard, borrow money in anticipation of common area fees.~~

~~(4) Common Area Fees.~~

~~(A) Common area fees are charges levied upon the owners of taxable properties located in the District, excepting such portions of properties used for owner-occupied residential purposes.~~

~~(B)(i) The District shall have the authority to assess common area fees for taxable real estate in the district based upon one of the following assessment methods:~~

~~(I) A flat fee per taxable parcel identifiable on the grand list.~~

~~(II) A flat fee per taxable parcel plus a formula based on any one, or combination thereof, of square footages of commercial space, number of apartments, square footage of lot size, linear footage of frontage, number of parking spaces provided, number of parking spaces that would be needed to conform to the Town's existing zoning bylaws for new construction, or any equation that raises fees adequate to meet an annual Commission budget with a method that reasonably apportions costs to property owners in relation to the benefit that accrues to them.~~

~~(ii) The Commission shall only raise common area fees sufficient to meet the budget regardless of the assessment method.~~

~~(iii) The common area fees shall be established by the Commission upon approval of the Commission budget by the Selectboard and shall be assessed annually by the Selectboard to be collected at the same time and in the same manner as the Town votes to have its taxes collected, and such common area assessment shall be a lien thereon with the same priority as taxes lawfully assessed thereon.~~

~~(C) Consistent with the charter for the Town of St. Johnsbury and the laws of the United States and of this State, the Commission, with the approval of the Selectboard, may substitute any local option taxes permitted by law in lieu of common area fees that exist to meet the budget.~~

~~(D) Appeals. Persons aggrieved by any decision of the Commission involving the assessment or levy of common area fees may appeal the decision to the Selectboard by filing a written notice of appeal with the Town Clerk within 30 days of the date of such decision, and furnishing a copy of the notice of appeal to the Commission. The Selectboard shall set a date and place for a hearing on the appeal within 60 days of the filing of the notice of appeal. The Selectboard shall give the appellant and the Commission at least 15 days' notice prior to the hearing date. Any person entitled to take an appeal may appear and be heard in person or be represented by agent or attorney at such hearing. Any hearing held under this subsection may be adjourned by the Selectboard from time to time; provided, however, that the date and place of adjourned hearing shall be announced at that hearing or 15 days' notice thereof is furnished to the appellant and the Commission. The Selectboard shall render its decision, which shall include findings of fact, within 45 days after completing the hearing, and shall within that period send the appellant, and the Commission, by certified mail, a copy of the decision. An aggrieved person may appeal a decision of the Selectboard to the Caledonia County Superior Court. The appeal shall be taken in such manner as the Supreme Court may by rule provide for appeals from State agencies governed by 3 V.S.A. §§ 801 through 816. Notice of appeal shall be sent by mail to the Commission.~~

Sec. 5. 24 App. V.S.A. chapter 151, § 6 is redesignated and amended to read:

§ ~~6~~ 705. FIRE DISTRICT; PROCESS FOR ABOLITION

The St. Johnsbury Center Fire District No. 1 is abolished when a majority of the legal voters of said Fire District present and voting on the question at a regular or special meeting of said Fire District warned for said purpose so vote and shall thereupon cease to exist as a political entity and body corporate. All the property and funds of said Fire District shall on such date be vested in the Town of St. Johnsbury and the Town of St. Johnsbury shall thereupon assume all indebtedness and obligations of said Fire District unless said liabilities and obligations exceed said assets in which case said Fire District shall continue to exist until such excess is paid unless the Town of St. Johnsbury votes otherwise at a regular or special meeting warned for said purpose. Any existing debt service shall be assessed as a special assessment to those properties within the Fire District.

Sec. 6. 24 App. V.S.A. chapter 151, § 17 is redesignated and amended to read:

§ ~~17~~ 706. DEPARTMENT OF ASSESSMENT

* * *

(c) Powers. The Department of Assessment shall have the same powers, discharge the same duties, proceed in the same manner, and be subject to the same liabilities as those prescribed for listers or a board of listers under applicable provisions of Vermont law with respect to drawing up the grand list~~, except as otherwise provided in this charter~~ and grievances.

Sec. 7. 24 App. V.S.A. chapter 151, § 19 is redesignated and amended to read:

§ ~~19~~ 707. APPEALS

A person aggrieved by the final decision of the ~~Board~~ Department of Assessment under the provisions of section ~~18~~ 706 of this charter may appeal in writing under the provisions of 32 V.S.A. chapter 131.

Sec. 8. EFFECTIVE DATE

This act shall take effect on passage.

Rep. Anthony of Barre City, for the Committee on Ways and Means, recommended the bill ought to pass when amended as recommended by the Committee on Government Operations and Military Affairs.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Government Operations and Military Affairs agreed to, and third reading was ordered.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill placed in all remaining stages of passage. The bill was read the third time and passed.

Thereupon, on motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

Second Reading; Amendment Offered and Withdrawn; Proposal of Amendment Agreed to; Third Reading Ordered

S. 195

Rep. LaLonde of South Burlington, for the Committee on Judiciary, to which had been referred Senate bill, entitled

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

Reported in favor of its passage in concurrence with proposal of amendment 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) Definition. As used in this section, "home detention" means a program of confinement and supervision that restricts a defendant to a preapproved residence continuously, except for authorized absences, and is enforced by appropriate means of surveillance and electronic monitoring by the Department of Corrections, including the use of passive electronic monitoring. The court may authorize scheduled absences such as for work, school, or treatment. Any changes in the schedule shall be solely at the discretion of the Department of Corrections. A defendant who is on home detention shall remain in the custody of the Commissioner of Corrections with conditions set by the court.

(b) Procedure. At the request of the court, the Department of Corrections, the prosecutor, or the defendant, the status of a defendant who is detained pretrial in a correctional facility for inability to pay bail after bail has been set by the court, or the status of a defendant who has allegedly violated conditions of release, may be reviewed by the court to determine whether the defendant is appropriate for home detention. The review shall be scheduled upon the court's receipt of a report from the Department determining that the proposed residence is suitable for the use of electronic monitoring. A defendant held without bail pursuant to section 7553 or 7553a of this title shall not be eligible for release to the Home Detention Program on or after June 1, 2018. At arraignment or after a hearing, the court may order that the defendant be released to the Home Detention Program, provided that the court finds placing the defendant on home detention will reasonably ~~assure his or her appearance in court when required~~ mitigate the defendant's risk of flight and the proposed residence is appropriate for home detention. In making such a determination, the court shall consider:

(1) the nature of the offense with which the defendant is charged;

(2) the defendant's prior convictions, history of violence, medical and mental health needs, history of supervision, and risk of flight; and

(3) any risk or undue burden to other persons who reside at the proposed residence or risk to third parties or to public safety that may result from such placement.

(c) Failure to comply. The Department of Corrections may ~~revoke~~ report a defendant's ~~home detention status for an~~ unauthorized absence or failure to comply with any other condition of the Program ~~and shall return the defendant to a correctional facility~~ to the prosecutor and the defendant, provided that a defendant's failure to comply with any condition of the Program for a reason other than fault on the part of the defendant shall not be reportable. To address a reported violation, the prosecutor may initiate:

(1) a review of conditions pursuant to section 7554 of this title;

(2) a violation of conditions proceeding pursuant to section 7554e of this title;

(3) a prosecution for contempt pursuant to section 7559 of this title; or

(4) a bail revocation hearing pursuant to section 7575 of this title.

(d) Credit for time served. A defendant shall receive credit for a sentence of imprisonment for time served in the Home Detention Program.

(e) Program support. The Department may support the operation of the Program through grants of financial assistance to, or contracts for services with, any public or nonprofit entity that meets the Department's requirements.

Sec. 4. 13 V.S.A. § 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) Beginning on January 1, 2025, the Pretrial Supervision Program shall, if ordered by the court pursuant to subsection (d) of this section, supervise 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 supervisor 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 supervisor;

(C) in-person meetings with a pretrial supervisor;

(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. A defendant held without bail pursuant to section 7553 or 7553a shall not be eligible for pretrial supervision.

(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, mitigate the person's 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 supervisors shall notify the prosecutor and use reasonable efforts to notify the defendant of any violations of Program supervision requirements committed by the defendant.

(2) 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.

(3) Upon submission of the pretrial supervisor's sworn affidavit by the prosecutor, the court may issue a warrant for the arrest of a defendant who fails to report to the pretrial supervisor, commits multiple violations of supervision requirements, or has absconded.

(f) Manual. On or before November 1, 2024, the Department of Corrections shall establish a written policies and procedures manual for Pretrial Supervision Program to be used by the Department, any contractors or grantees that the Department engages with to assist in operating the Program, and the courts.

(g) Contingent on funding. The Pretrial Supervision Program established in this section shall operate only to the extent funds are appropriated for its operation.

(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 or nonprofit 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. EFFECTIVE DATE

This act shall take effect on passage.

Rep. Emmons of Springfield, for the Committee on Corrections and Institutions, recommended that the report of the Committee on Judiciary be amended as follows:

First: By striking out Sec. 3, 13 V.S.A. § 7554b, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. 13 V.S.A. § 7554b is amended to read:

§ 7554b. HOME DETENTION PROGRAM

(a) Definition. As used in this section, "home detention" means a program of confinement and supervision that restricts a defendant to a preapproved residence continuously, except for authorized absences, and is enforced by appropriate means of surveillance and electronic monitoring by the Department of Corrections, including the use of passive electronic monitoring. The court may authorize scheduled absences such as for work, school, or treatment. Any changes in the schedule shall be solely at the discretion of the Department of Corrections. A defendant who is on home detention shall remain in the custody of the Commissioner of Corrections with conditions set by the court.

(b) ~~Procedure~~ 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.

~~(c)~~(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.

(c) 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, provided that the court finds placing the defendant on home detention will reasonably mitigate the defendant's risk of flight, the risk of nonappearance, or reasonably ensure protection of the

public, and the proposed residence is appropriate for home detention. In making such a determination, the court shall consider the factors listed in subdivisions (b)(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.

(d) Credit for time served. A defendant shall receive credit for a sentence of imprisonment for time served in the Home Detention Program.

(e) Program support. The Department may support the 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.

(f) 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.

Second: By striking out Sec. 4, 13 V.S.A. § 7555, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

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 supervisor;

(C) in-person meetings with a pretrial supervisor;

(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.

Third: By adding a new Sec. 10 to read as follows:

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.

Fourth: By adding a new Sec. 11 to read as follows:

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.

Fifth: By adding a new Sec. 12 to read as follows:

Sec. 12. PROSPECTIVE REPEAL

13 V.S.A. § 7555 shall be repealed on December 31, 2026.

and by renumbering the remaining sections to be numerically correct.

Rep Squirrell of Underhill, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Judiciary and when further amended as recommended by the Committee on Corrections and Institutions.

The bill, having appeared on the Notice Calendar was taken up, and read the second time.

Pending the question, Shall the report of the Committee on Judiciary be amended as recommended by the Committee on Corrections and Institutions?, **Rep. Emmons of Springfield** moved to amend the report of the Committee on Corrections and Institutions in the second instance of amendment, in Sec. 4, 13 V.S.A. § 7555, by striking out subdivisions (c)(2)(B) and (C) in their entirety and inserting in lieu thereof new subdivisions (c)(2)(B) and (C) to read as follows:

(B) telephonic meetings with a pretrial supervision officer;

(C) in-person meetings with a pretrial supervision officer;

Which was agreed to.

Thereupon, the report of the Committee on Judiciary was amended as recommended by the Committee on Corrections and Institutions, as amended.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Judiciary, as amended?, **Rep. Peterson of Clarendon** moved to amend the report of the Committee on Judiciary, as amended, as follows:

First: In Sec. 9, 18 V.S.A. § 4253, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(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~~ less than three years and fined not more than $5,000.00, in addition to the penalty for the underlying crime.

Second: In Sec. 9, 18 V.S.A. § 4253, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(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~~ less than five years and fined not more than $10,000.00, in addition to the penalty for the underlying crime.

Thereupon, **Rep. Peterson of Clarendon** asked and was granted leave of the House to withdraw his amendment.

Thereafter, the report of the Committee on Judiciary, as amended, was agreed to and third reading was ordered.

Second Reading; Consideration Interrupted

S. 259

Rep. Sheldon of Middlebury, for the Committee on Environment and Energy, to which had been referred Senate bill, entitled

An act relating to climate change cost recovery

Reported in favor of its passage in concurrence with proposal of amendment 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, expect 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.

Rep. James of Manchester presiding.

Rep. Christie of Hartford, for the Committee on Judiciary, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Environment and Energy.

Speaker presiding.

Rep. Taylor of Colchester, for the Committee on Ways and Means, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Environment and Energy.

Rep. Squirrell of Underhill, for the Committee on Appropriations, recommended that the House propose to the Senate to amend the bill as recommended by the Committee on Environment and Energy.

The bill, having appeared on the Notice Calendar, was taken up and read the second time.

Orders of the Day Interrupted; Pending Entry on the Notice Calendar Bill Referred to the Committee on Ways and Means

S. 167

On motion of **Rep. McCoy of Poultney**, the rules were suspended to interrupt the Orders of the Day to take up Senate bill, entitled

An act relating to miscellaneous amendments to education law

Pending entry on the Notice Calendar, and pursuant to House Rule 35(a), affecting the revenue of the State or materially affecting the revenue of one or more municipalities, the bill was referred to the Committee on Ways and Means.

Recess

At eleven o'clock and fifty-seven minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

Called to Order

At one o'clock and thirty-five minutes in the afternoon, the Speaker called the House to order.

Pending Entry on the Notice Calendar Bill Referred to the Committee on Appropriations

S. 167

Senate bill, entitled

An act relating to miscellaneous amendments to education law

Pending entry on the Notice Calendar, and pursuant to House Rule 35(a), carrying an appropriation, was referred to the Committee on Appropriations.

Consideration Resumed; Proposal of Amendment Agreed to; Third Reading Ordered

S. 259

Consideration resumed on Senate bill, entitled

An act relating to climate change cost recovery

Thereafter, the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Environment and Energy?, was agreed to.

Pending the question, Shall the bill be read a third time?, **Rep. Sheldon of Middlebury** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill be read a third time?, was decided in the affirmative. Yeas, 100. Nays, 33.

Those who voted in the affirmative are:

Andrews of Westford
Andriano of Orwell
Anthony of Barre City
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Beck of St. Johnsbury
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Brown of Richmond
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Campbell of St. Johnsbury
Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Cina of Burlington
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Cordes of Lincoln
Demrow of Corinth
Dodge of Essex
Dolan of Essex Junction
Dolan of Waitsfield
Durfee of Shaftsbury
Elder of Starksboro
Emmons of Springfield
Garofano of Essex
Goldman of Rockingham
Graning of Jericho
Headrick of Burlington
Holcombe of Norwich
Hooper of Burlington
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
Lalley of Shelburne
LaLonde of South Burlington *
LaMont of Morristown
Lanpher of Vergennes
Leavitt of Grand Isle
Logan of Burlington
Long of Newfane
Masland of Thetford
McCann of Montpelier
McCarthy of St. Albans City
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Morris of Springfield
Mrowicki of Putney
Nicoll of Ludlow
Notte of Rutland City
Noyes of Wolcott
Nugent of South Burlington
O'Brien of Tunbridge
Ode of Burlington
Pajala of Londonderry
Patt of Worcester
Pouech of Hinesburg *
Priestley of Bradford
Rachelson of Burlington *
Rice of Dorset *
Roberts of Halifax
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury *
Sibilia of Dover *
Sims of Craftsbury
Small of Winooski
Squirrell of Underhill
Stebbins of Burlington *
Stevens of Waterbury
Stone of Burlington *
Surprenant of Barnard
Taylor of Colchester
Toleno of Brattleboro
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City
Wood of Waterbury

Those who voted in the negative are:

Arrison of Weathersfield *
Branagan of Georgia
Canfield of Fair Haven
Clifford of Rutland City
Demar of Enosburgh
Harrison of Chittenden
Labor of Morgan
LaBounty of Lyndon
Laroche of Franklin
Marcotte of Coventry
Page of Newport City
Parsons of Newbury
Peterson of Clarendon
Quimby of Lyndon
Sammis of Castleton *

Donahue of Northfield	Mattos of Milton	Shaw of Pittsford
Galfetti of Barre Town *	McCoy of Poultney	Smith of Derby
Goslant of Northfield	McFaun of Barre Town	Taylor of Milton
Graham of Williamstown	Morgan of Milton	Toof of St. Albans Town
Gregoire of Fairfield	Morrissey of Bennington	Walker of Swanton
Hango of Berkshire	Oliver of Sheldon	Williams of Granby

Those members absent with leave of the House and not voting are:

Bartley of Fairfax	Dickinson of St. Albans Town	Lipsky of Stowe
Brennan of Colchester	Farlice-Rubio of Barnet	Maguire of Rutland City
Brownell of Pownal	Higley of Lowell	Pearl of Danville
Burditt of West Rutland	Hooper of Randolph	Templeman of Brownington
Buss of Woodstock	Houghton of Essex Junction	
Chapin of East Montpelier		

Rep. Arrison of Weathersfield explained his vote as follows:

"Madam Speaker:

Choose your battles. I could support joining a class action but not a battle without the forces to win."

Rep. Galfetti of Barre Town explained her vote as follows:

"Madam Speaker:

I voted no to gambling away the money of hardworking Vermonters on legislation that may not only fail in the courts, but in its failure obligate the State to pay millions in legal fees. And I voted no to protect Vermonters from skyrocketing costs of fuel that passage of this bill will most certainly bring. I will fight to protect Vermonters, not expose them to more economic hardships on a gamble."

Rep. Lalonde of South Burlington explained his vote as follows:

"Madam Speaker:

S.259 would have the major fossil fuel extracting and refining companies pay their fair share. It is well within the State's general police power to enact a Climate Superfund law to protect and improve the welfare of Vermonters."

Rep. Pouech of Hinesburg explained his vote as follows:

"Madam Speaker:

I voted yes to S.259 to reduce the huge cost burden that climate change puts on our children and Vermont's next generation. They will need help and should be helped by the companies who benefitted despite their knowledge of the cost impacts of their products."

Rep. Rachelson of Burlington explained her vote as follows:

"Madam Speaker:

S.259 takes a sound and proven approach to addressing the damages that Vermonters feel, fear, live with, are paying for, and will continue to pay for from climate change. The bill is neither punitive nor overly risky. The approach is similar to both a State law and a federal effort that hold companies responsible for cleaning up their messes. The federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) or Superfund has been holding polluters responsible for cleaning up toxic waste since 1980; and Vermont's own Act 93 of 2022, An Act Relating To Establishing a Cause of Action For Medical Monitoring Expenses, the first of its kind in the nation, uses strict liability to hold chemical companies responsible if Vermonters have been exposed to PFAS and other chemicals of concern, and allows Vermont to sue manufacturers of hazardous material for the costs of the cleanup of a release of such material. A statewide poll shows 64% of Vermonters supported the approach of this bill."

Rep. Rice of Dorset explained his vote as follows:

"Madam Speaker:

I vote yes to have Vermonters' backs. We know that climate change-related natural disasters are only becoming more common and more devastating, and our municipalities, our small businesses, our farmers, our constituents need additional resources to mitigate, adopt, and move on with resilience. This bill will help recover those resources on their behalf."

Rep. Sammis of Castleton explained his vote as follows:

"Madam Speaker:

With the amount of money this government is burning, maybe we should start examining ourselves as a source of carbon. Wouldn't that be something. Activist politics impacts all Vermonters."

Rep. Sheldon of Middlebury explained her vote as follows:

"Madam Speaker:

My constituents sent me to Montpelier to do something about climate change. I proudly vote yes to create a Climate Superfund that will assist our communities in adapting and mitigating its effects."

Rep. Sibilia of Dover explained her vote as follows:

"Madam Speaker:

I voted yes. Wait and see is not an acceptable affordability strategy for addressing escalating costs our communities are facing from climate change damages."

Rep. Stebbins of Burlington explained her vote as follows:

"Madam Speaker:

I vote yes because it is only fair for these companies to pay their share. Vermonters should not have to go this alone. Not doing anything is not affordable."

Rep. Stone of Burlington explained her vote as follows:

"Madam Speaker:

Climate action, or rather the fear of inaction, is one of the top concerns I hear about from Vermonters. Climate anxiety and distress are pervasive. That's why I supported this bill. It's a meaningful step forward toward accountability to help ensure a brighter future for Vermonters. In the words of Mary Oliver, 'be ignited or be gone.'"

Message from the Senate No. 57

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

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

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

Committee Bill; Second Reading; Third Reading Ordered; Rules Suspended, All Remaining Stages of Passage; Third Reading; Bill Passed; Rules Suspended, Messaged to the Senate Forthwith

H. 889

Rep. McCarthy of St. Albans City spoke for the Committee on Government Operations and Military Affairs.

House bill, entitled

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

Rep. Mihaly of Calais, for the Committee on Appropriations, recommended the bill ought to pass.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and third reading ordered.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill placed in all remaining stages of passage. The bill was read the third time and passed.

Thereupon, on motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill was ordered messaged to the Senate forthwith.

Favorable Report; Second Reading; Third Reading Ordered

S. 246

Rep. Burrows of West Windsor, for the Committee on General and Housing, to which had been referred Senate bill, entitled

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

Reported in favor of its passage in concurrence.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and third reading ordered.

Adjournment

At three o'clock and twenty-one minutes in the afternoon, on motion of **Rep. McCoy of Poultney**, the House adjourned until Saturday, May 4, 2024, at ten o’clock in the forenoon, pursuant to the provisions of J.R.S. 55.

Concurrent Resolutions Adopted

The following concurrent resolutions, having been placed on the Consent Calendar on the preceding legislative day, and no member having requested floor consideration as provided by Rule 16b of the Joint Rules of the Senate and House of Representatives, are hereby adopted on the part of the House:

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

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

[The full text of the concurrent resolutions appeared in the House and Senate Calendar Addendums on the preceding legislative day and will appear in the Public Acts and Resolves of the 2024 Adjourned Session.]

Saturday, May 4, 2024

At ten o'clock in the forenoon, **Rep. Scheu of Middlebury** called the House to order. Noting a lack of quorum and pursuant to House Rule 9, the House adjourned until Monday May 6, 2024 at one o'clock in the afternoon.

Message from the Senate No. 58

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

H. 687. An act relating to community resilience and biodiversity protection through land use.

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

Message from the Senate No. 59

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

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

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

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Perchlik
Senator Chittenden
Senator Ingalls

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

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

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

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Hashim
Senator Norris
Senator Vyhovsky

Message from the Senate No. 60

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

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

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

H. 173. An act relating to prohibiting manipulating a child for the purpose of sexual contact.

H. 655. An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records.

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

The Senate has on its part adopted Senate concurrent resolutions 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.

The Senate has on its part adopted concurrent resolutions originating in the House 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.

Monday, May 6, 2024

At one o'clock in the afternoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rep. Woodman Page of Newport City.

Pledge of Allegiance

The Speaker led the House in the Pledge of Allegiance.

Message from the Governor

"May 3, 2024

The Honorable Jill Krowinski
Speaker of the House
115 State Street
Montpelier, Vermont 05633-2301

Dear Speaker Krowinski:

I have the honor to inform you that I have appointed Abbey Duke of Burlington, Vermont to serve in the General Assembly representing House District Chittenden-17.

Sincerely,
/s/Philip B. Scott
Governor

PBS/te

cc: Sarah Copeland-Hanzas, Secretary of State
BetsyAnn Wrask, Clerk of the House"

New Member Announced and Appointed to Committee

Rep. Duke of Burlington, who was recently appointed by the Governor to fill the vacancy caused by the resignation of Rep. Emma Mulvaney-Stanak, having taken and subscribed the oath administered by the Clerk as required by the Constitution and laws of the State, was seated and then appointed by the Speaker to the Committee on Commerce and Economic Development.

Committee of Conference Appointed

S. 309

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on Senate bill, entitled

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

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

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

Committee of Conference Appointed

H. 563

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on House bill, entitled

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

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

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

Pending Entry on the Notice Calendar
Bill Referred to the Committee on Appropriations

S. 96

Senate bill, entitled

An act relating to privatization contracts

Pending entry on the Notice Calendar, and pursuant to House Rule 35(a), carrying an appropriation, was referred to the Committee on Appropriations.

Third Reading; Bill Passed in Concurrence

S. 246

Senate bill, entitled

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

Was taken up, read the third time, and passed in concurrence.

Third Reading; Bill Passed in Concurrence with Proposal of Amendment

S. 259

Senate bill, entitled

An act relating to climate change cost recovery

Was taken up and read the third time.

Pending the question, Shall the bill pass in concurrence with proposal of amendment?, **Rep. Higley of Lowell** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill pass in concurrence with proposal of amendment?, was decided in the affirmative. Yeas, 93. Nays, 39.

Those who voted in the affirmative are:

Andrews of Westford
Andriano of Orwell
Anthony of Barre City
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Beck of St. Johnsbury
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Brown of Richmond
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Carpenter of Hyde Park
Carroll of Bennington
Cordes of Lincoln
Demrow of Corinth
Dodge of Essex
Dolan of Essex Junction
Dolan of Waitsfield
Duke of Burlington
Durfee of Shaftsbury
Emmons of Springfield
Farlice-Rubio of Barnet
Garofano of Essex
Goldman of Rockingham
Holcombe of Norwich
Hooper of Burlington
Houghton of Essex Junction
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
Lalley of Shelburne
LaLonde of South Burlington
Morris of Springfield
Mrowicki of Putney
Nicoll of Ludlow
Notte of Rutland City
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Pajala of Londonderry
Patt of Worcester
Pouech of Hinesburg
Priestley of Bradford
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury
Sibilia of Dover *
Sims of Craftsbury
Squirrell of Underhill
Stebbins of Burlington
Stevens of Waterbury
Taylor of Colchester

Casey of Montpelier
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Logan of Burlington *
Long of Newfane
Masland of Thetford
McCann of Montpelier
McCarthy of St. Albans City
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Templeman of Brownington
Toleno of Brattleboro
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City
Wood of Waterbury

Those who voted in the negative are:

Arrison of Weathersfield
Bartley of Fairfax
Branagan of Georgia
Brennan of Colchester
Brownell of Pownal
Burditt of West Rutland
Canfield of Fair Haven
Clifford of Rutland City
Demar of Enosburgh
Donahue of Northfield
Galfetti of Barre Town
Goslant of Northfield
Graham of Williamstown
Gregoire of Fairfield
Hango of Berkshire
Harrison of Chittenden
Higley of Lowell
Labor of Morgan
LaBounty of Lyndon
Laroche of Franklin
Lipsky of Stowe
Maguire of Rutland City
Marcotte of Coventry
Mattos of Milton
McCoy of Poultney
McFaun of Barre Town
Morgan of Milton
Morrissey of Bennington
Oliver of Sheldon
Page of Newport City
Parsons of Newbury
Peterson of Clarendon
Quimby of Lyndon
Shaw of Pittsford
Smith of Derby *
Taylor of Milton
Toof of St. Albans Town
Walker of Swanton
Williams of Granby

Those members absent with leave of the House and not voting are:

Chapin of East Montpelier
Cina of Burlington
Dickinson of St. Albans Town
Elder of Starksboro
Graning of Jericho
Headrick of Burlington
Hooper of Randolph
Howard of Rutland City
LaMont of Morristown
Lanpher of Vergennes
Leavitt of Grand Isle
O'Brien of Tunbridge
Pearl of Danville
Sammis of Castleton
Small of Winooski
Stone of Burlington
Surprenant of Barnard

Rep. Logan of Burlington explained her vote as follows:

"Madam Speaker:

I support S.259 as a sensible, fair policy. It will enable Vermonters to afford the crucial climate change mitigation and resilience projects that we must do in order to adapt to climate change."

Rep. Sibilia of Dover explained her vote as follows:

"Madam Speaker:

In 1965, remarks of American Petroleum Industry President Frank Ikard to his industry's annual gathering acknowledged a Johnson Administration Report of the Environmental Pollution Panel of the President's Science

Advisory Committee which warned that fossil fuel combustion could cause significant climactic changes by the end of the 20th century. In his remarks, API President Ikard noted that '[o]ne of the most important predictions of the report [was] that carbon dioxide is being added to the earth's atmosphere by the burning of coal, oil, and natural gas,' which would lead to 'marked changes in climate beyond local or even national efforts.'"

Rep. Smith of Derby explained his vote as follows:

"Madam Speaker:

Extortion/suing is not the answer... It should be noted that fossil fuel industries built the United States of America into the most powerful and once respected country in the world. Without fossil fuels, we would still be in the Middle Ages. Instead of suing, we should be helping them to develop cleaner burning methods."

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 102

Rep. Chesnut-Tangerman of Middletown Springs, for the Committee on General and Housing, to which had been referred Senate bill, entitled

An act relating to expanding employment protections and collective bargaining rights

Reported in favor of its passage in concurrence with proposal of amendment 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) ~~In~~ 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.

Rep. Bluemle of Burlington, for the Committee on Appropriations, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on General and Housing.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on General and Housing agreed to, and third reading ordered.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 254

Rep. Morris of Springfield, for the Committee on Environment and Energy, to which had been referred Senate bill, entitled

An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program

Reported in favor of its passage in concurrence with proposal of amendment 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.

Rep. Ode of Burlington, for the Committee on Ways and Means, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Environment and Energy.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Environment and Energy agreed to, and third reading ordered.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 310

Rep. Birong of Vergennes, for the Committee on Government Operations and Military Affairs, to which had been referred Senate bill, entitled

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

Reported in favor of its passage in concurrence with proposal of amendment 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, by January 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, Commerce and Economic Development, and Government Operations and Military Affairs, and the Senate Committees on Economic Development, Housing and General Affairs, Appropriations, and Government Operations.

* * * 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.]

* * * 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. 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 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, ~~such~~ 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) ~~Such~~ 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 ~~such~~ the other town, city, village, corporation, or individuals. ~~Such~~ 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 ~~such~~ the sewage ~~disposal district~~ 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.

~~(c)~~(f) When a ~~sewage disposal~~ rate, rent, or charge established under this section for the management of stormwater is applied to property owned, controlled, or managed by the Agency of Transportation, the charge shall not exceed the highest rate category applicable to other properties in the municipality, and the Agency of Transportation shall receive a 35 percent credit on the charge. The Agency of Transportation shall receive no other credit on the charge from the municipal corporation.

§ ~~3616~~ 3617. DUTIES; USE OF PROCEEDS

(a) ~~Such sewage disposal commissioners shall have the supervision of such municipal sewage disposal department, and shall make and establish all needful rates for charges, rules, and regulations for its control and operation including the right to require any individual, person, or corporation to connect to such~~ the ~~municipal system for the purposes of abating pollution of the waters of the State. Such commissioners may appoint or remove a superintendent at their pleasure.~~ The charges and receipts of ~~such~~ the department shall only be used and applied to pay the interest and principal of the sewage disposal bonds of ~~such~~ the municipal corporation ~~as well as,~~ the expense of maintenance and operation of the sewage ~~disposal department~~ system, or other expenses of the sewage system.

(b) ~~These~~ The charges and receipts also may be used to develop a dedicated fund that may be created by the ~~commissioners~~ board to finance major rehabilitation, major maintenance, and upgrade costs for the sewer system. This fund may be established by an annual set-aside of up to 15 percent of the normal operations, maintenance, and bond payment costs, except that with respect to subsurface leachfield systems, the annual set-aside may equal up to 100 percent of these costs. The fund shall not exceed the estimated future major rehabilitation, major maintenance, or upgrade costs for the sewer system. Any dedicated fund shall be insured at least to the level provided by FDIC and withdrawals shall be made only for the purposes for which the fund was established. Any ~~such~~ dedicated fund may be established and controlled in accord with section 2804 of this title or may be established by act of the legislative body of the municipality. Funds so established shall meet the requirements of subdivision 4756(a)(4) of this title.

(c) Where the municipal legislative body establishes ~~such~~ a dedicated fund pursuant to this section, it shall first adopt a municipal ordinance authorizing and controlling ~~such~~ the funds. ~~Such~~ The ordinance and any local policies governing the funds must conform to the requirements of this section.

(d) The charges, receipts, and revenue may also be used for stormwater management, control, and treatment; flood resiliency; floodplain restoration; and other similar measures.

§ ~~3617~~ 3618. ORDINANCES

~~Such~~ The municipal corporation shall have the power to make, establish, alter, amend, or repeal ordinances, regulations, and bylaws relating to the matters contained in this chapter, consistent with law, and to impose penalties for the breach ~~thereof,~~ of an ordinance and enforce ~~the same~~ those penalties.

§ ~~3618~~ 3619. MEETINGS; VOTE

Any action taken by ~~such~~ a municipal corporation under the provisions of this chapter or relating to the matters ~~therein set forth~~ contained in this chapter, may be taken by vote of the legislative body of ~~such~~ the municipal corporation, excepting the issuance of bonds and, in municipalities wherein ~~such~~ the legislative body is not otherwise given the power to levy taxes, the levying of a tax under section ~~3613~~ 3615 of this title; provided, however, that no action shall be taken hereunder unless the construction of a sewage disposal plant shall have first been authorized by majority vote of the legal voters of ~~such~~ the municipal corporation attending a meeting ~~duly warned and holden~~ warned for that purpose.

* * *

Sec. 14. 24 V.S.A. § 3679 is amended to read:

§ 3679. FINANCES—SEWER RATES; APPLICATION OF REVENUE

(a) The board of sewer commissioners of a consolidated sewer district shall establish rates for the sewer service and all individuals, firms, and corporations whether private, public, or municipal shall pay to the treasurer of the district the rates established by the board. The manner of establishment of the rates shall be in accord with section ~~3615~~ 3616 of this title. The rates shall be so established as to provide revenue for the following purposes:

* * *

Sec. 15. REPEAL

24 V.S.A. chapter 97 (sewage system) is repealed.

* * * Creation of the Urban Search and Rescue Team * * *

Sec. 16. 20 V.S.A. § 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.

~~(c)~~(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~~,~~;

(B) "passing through" funds made available by any agency, public or private~~,~~; 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.

Rep. Demrow of Corinth, for the Committee on Ways and Means, recommended that the report of Committee on Government Operations and Military Affairs be amended as follows:

First: In Sec. 4a, 10 V.S.A. § 10, by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(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.

Second: By adding a new section to be Sec. 4b to read as follows:

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.

Rep. Harrison of Chittenden, for the Committee on Appropriations, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations and Military Affairs when further amended as recommended by the Committee on Ways and Means.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and the report of the Committee on Government Operations and Military Affairs was amended as recommended by the Committee on Ways and Means. Thereupon, the report of the Committee on Government Operations and Military Affairs, as amended, was agreed to and third reading ordered.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 55

Rep. McCarthy of St. Albans City, for the Committee on Government Operations and Military Affairs, to which had been referred Senate bill, entitled

An act relating to authorizing public bodies to meet electronically under Vermont's Open Meeting Law

Reported in favor of its passage in concurrence with proposal of amendment 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 and the Human Services Board, shall:

(A) hold all regular and special meetings in a hybrid fashion, which shall include both a designated physical meeting location and a designated electronic meeting platform;

(B) electronically record all meetings; and

(C) for a minimum of 30 days following the approval and posting of the official minutes for a meeting, retain the audiovisual recording and post the recording in a designated electronic location.

(4) 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 ~~10~~ 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.

Sec. 11. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that Sec. 4 (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"

Rep. Toleno of Brattleboro, for the Committee on Appropriations, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations and Military Affairs.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Government Operations and Military Affairs agreed to, and third reading ordered.

Action on Bill Postponed

H. 72

House bill, entitled

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

Was taken up and, pending consideration of the Senate proposal of amendment, on motion of **Rep. Wood of Waterbury**, action on the bill was postponed until May 7, 2024.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 204

Rep. Brady of Williston, for the Committee on Education, to which had been referred Senate bill, entitled

An act relating to supporting Vermont's young readers through evidence-based literacy instruction

Reported in favor of its passage in concurrence with proposal of amendment 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.

Rep. Mihaly of Calais, for the Committee on Appropriations, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Education.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Education agreed to, and third reading ordered.

Senate Proposal of Amendment Not Concurred in; Committee of Conference Requested and Appointed; Rules Suspended, Messaged to the Senate Forthwith

H. 882

The Senate proposed to the House to amend House bill, entitled

An act relating to capital construction and State bonding budget adjustment

The Senate proposed 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. 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.

* * * 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 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. [Deleted.]

* * * 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. 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.

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. 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.

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 Mangement 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.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. Emmons of Springfield** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

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

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Senate Proposal of Amendment to House Proposal of Amendment Concurred in

S. 209

The Senate concurred in the House proposal of amendment with further proposal of amendment thereto on Senate bill, entitled

An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers

The Senate concurred in the House 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. 13 V.S.A. chapter 85 is amended to read:

CHAPTER 85. WEAPONS

* * *

Subchapter 4. Unserialized Firearms and Firearms Frames and Receivers

§ 4081. SHORT TITLE

This subchapter shall be known as the "Vermont Ghost Guns Act."

§ 4082. DEFINITIONS

As used in this subchapter:

(1) "Federal firearms licensee" means a federally licensed firearm dealer, federally licensed firearm importer, and federally licensed firearm manufacturer.

(2) "Federally licensed firearm dealer" means a licensed dealer as defined in 18 U.S.C. § 921(a)(11).

(3) "Federally licensed firearm importer" means a licensed importer as defined in 18 U.S.C. § 921(a)(9).

(4) "Federally licensed firearm manufacturer" means a licensed manufacturer as defined in 18 U.S.C. § 921(a)(10).

(5) "Fire control component" means a component necessary for the firearm to initiate, complete, or continue the firing sequence, including any of the following: hammer, bolt, bolt carrier, breechblock, cylinder, trigger mechanism, firing pin, striker, or slide rails.

(6) "Frame or receiver of a firearm" means a part of a firearm that, when the complete firearm is assembled, is visible from the exterior and provides housing or a structure designed to hold or integrate one or more fire control components, even if pins or other attachments are required to connect the fire control components. Any part of a firearm imprinted with a serial number is presumed to be a frame or receiver of a firearm unless the Federal Bureau of Alcohol, Tobacco, Firearms and Explosives makes an official determination otherwise or there is other reliable evidence to the contrary.

(7) "Three-dimensional printer" means a computer-aided manufacturing device capable of producing a three-dimensional object from a three-dimensional digital model through an additive manufacturing process that involves the layering of two-dimensional cross sections formed of a resin or similar material that are fused together to form a three-dimensional object.

(8) "Unfinished frame or receiver" means any forging, casting, printing, extrusion, machined body, or similar article that has reached a stage in manufacture when it may readily be completed, assembled, or converted to be used as the frame or receiver of a functional firearm or that is marketed or sold to the public to become or be used as the frame or receiver of a functional firearm once completed, assembled, or converted.

(9) "Violent crime" has the same meaning as in section 4017 of this title.

§ 4083. UNLAWFUL CONDUCT INVOLVING UNSERIALIZED FIREARMS, FRAMES, AND RECEIVERS

(a)(1) A person shall not knowingly possess an unfinished frame or receiver unless the unfinished frame or receiver has been imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) A person shall not knowingly transfer or offer to transfer an unfinished frame or receiver unless the unfinished frame or receiver has been imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(3) This subsection shall not apply to:

(A) a federal firearms licensee acting within the scope of the licensee's license;

(B) possession or transfer of an unfinished frame or receiver for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title; or

(C) an unfinished frame or receiver transferred to or possessed by a law enforcement officer for legitimate law enforcement purposes.

(b)(1) A person shall not knowingly possess a firearm or frame or receiver of a firearm that is not imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) A person shall not knowingly transfer or offer to transfer a firearm or frame or receiver of a firearm that is not imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(3) This subsection shall not apply to:

(A) a federal firearms licensee acting within the scope of the licensee's license;

(B) possession or transfer of a firearm or frame or receiver of a firearm for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title;

(C) an unserialized frame or receiver transferred to or possessed by a law enforcement officer for legitimate law enforcement purposes;

(D) an antique firearm as defined in subsection 4017(d) of this title;

(E) a firearm that has been rendered permanently inoperable; or

(F) a firearm that was manufactured before 1968.

(c)(1) A person who manufactures a firearm or frame or receiver of a firearm, including by a three-dimensional printer, shall cause the firearm, frame, or receiver to be imprinted with a serial number by a federal firearms licensee pursuant to federal law or section 4084 of this title.

(2) This subsection shall not apply to:

(A) a federally licensed firearms manufacturer acting within the scope of the manufacturer's license; or

(B) possession or transfer of a firearm or frame or receiver of a firearm for the purpose of having it imprinted with a serial number pursuant to federal law or section 4084 of this title.

(d)(1) A person who violates subdivision (a)(1) or (b)(1) of this section shall be:

(A) for a first offense, assessed a civil penalty of not more than $50.00;

(B) for a second offense, imprisoned for not more than two years or fined not more than $1,000.00, or both; and

(C) for a third or subsequent offense, imprisoned for not more than three years or fined not more than $2,000.00, or both.

(2) A person who violates subdivision (a)(2), (b)(2), or (c)(1) of this section shall be:

(A) for a first offense, imprisoned for not more than one year or fined not more than $500.00, or both;

(B) for a second offense, imprisoned for not more than two years or fined not more than $1,000.00, or both; and

(C) for a third or subsequent offense, imprisoned for not more than three years or fined not more than $2,000.00, or both.

(3) A person who uses an unserialized firearm while committing a violent crime or while committing reckless endangerment in violation of section 1025 of this title shall be imprisoned for not more than five years or fined not more than $5,000.00, or both.

§ 4084. FEDERAL FIREARMS LICENSEES; AUTHORITY TO SERIALIZE FIREARMS, FRAMES, AND RECEIVERS

(a) A federal firearms licensee may imprint a serial number on an unserialized firearm or frame or receiver of a firearm pursuant to this section.

(b)(1) A firearm, frame, or receiver serialized pursuant to this section shall be imprinted with a serial number that begins with the licensee's abbreviated federal firearms license number, which is the first three and last five digits of the license number, and is followed by a hyphen that precedes a unique identification number. The serial number shall not be duplicated on any other firearm, frame, or receiver serialized by the licensee and shall be imprinted in a manner that complies with the requirements under federal law for affixing serial numbers to firearms, including that the serial number be at the minimum size and depth and not susceptible to being readily obliterated, altered, or removed.

(2) A licensee who serializes a firearm, frame, or receiver pursuant to this section shall make and retain records of the serialization that comply with the requirements under federal law for the sale of a firearm. In addition to any record required by federal law, the record shall include the date, name, age, and residence of any person to whom the item is transferred and the unique serial number imprinted on the firearm, frame, or receiver.

(3) A licensee shall not be deemed a firearms manufacturer solely for serializing a firearm, frame, or receiver pursuant to this section.

(c) Returning a firearm, frame, or receiver to a person after it has been serialized pursuant to federal law or this section constitutes a transfer that requires a background check of the transferee. A federal licensee who serializes a firearm, frame, or receiver pursuant to this section shall conduct a background check on the transferee pursuant to subsection 4019(c) of this title, provided that if the transfer is denied, the licensee shall deliver the firearm, frame, or receiver to a law enforcement agency for disposition. The agency shall provide the licensee with a receipt on agency letterhead for the firearm, frame, or receiver.

(d) A licensee who violates subsection (b) or (c) of this section shall:

(1) for a first offense, be fined not more than $2,500.00; and

(2) for a second or subsequent offense, be imprisoned for not more than one year or fined not more than $2,500.00, or both.

Sec. 2. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

* * *

(33) Violations of 13 V.S.A. § 4083(a)(1) or (b)(1) relating to a first offense of possessing a firearm, frame or receiver of a firearm, or unfinished frame or receiver of a firearm that is not imprinted with a serial number.

* * *

Sec. 3. 13 V.S.A. § 4019a is amended to read:

§ 4019a. FIREARMS TRANSFERS; WAITING PERIOD

(a) A person shall not transfer a firearm to another person until 72 hours after the licensed dealer facilitating the transfer is provided with a unique identification number for the transfer by the National Instant Criminal Background Check System (NICS) or seven business days have elapsed since the dealer contacted NICS to initiate the background check, whichever occurs first.

(b) A person who transfers a firearm to another person in violation of subsection (a) of this section shall be imprisoned not more than one year or fined not more than $500.00, or both.

(c) This section shall not apply to a firearm transfer that does not require a background check under 18 U.S.C. § 922(t) or section 4019 of this title.

(d) As used in this section, "firearm" has the same meaning as in subsection 4017(d) of this title.

(e)(1) This section shall not apply to a firearms transfer at a gun show.

(2) As used in this subsection, "gun show" means a function sponsored by:

(A) a national, state, or local organization, devoted to the collection, competitive use, or other sporting use of firearms; or

(B) an organization or association that sponsors functions devoted to the collection, competitive use, or other sporting use of firearms in the community.

(3) This subsection shall be repealed on July 1, 2024.

(f) This section shall not apply to the return of a firearm, frame, or receiver to a person by a licensed dealer after the dealer has serialized it pursuant to federal law or section 4084 of this title if the dealer returns the firearm, frame, or receiver to the same person from whom it was received.

Sec. 4. 13 V.S.A. § 4027 is added to read:

§ 4027. POLLING PLACES; FIREARMS PROHIBITED

(a)(1) A person shall not knowingly possess a firearm at a polling place or on the walks leading to a building in which a polling place is located on an election day.

(2) The provisions of subdivision (1) of this subsection shall apply to the town clerk's office during any period when a board of civil authority has voted to permit early voting pursuant to 17 V.S.A. § 2546b(a)(1).

(b) A person who violates this section shall be imprisoned not more than one year or fined not more than $1,000.00, or both.

(c) This section shall not apply to:

(1) a firearm carried for legitimate law enforcement purposes by a federal law enforcement officer or a law enforcement officer certified as a law enforcement officer by the Vermont Criminal Justice Council pursuant to 20 V.S.A. § 2358;

(2) a firearm carried by a person while preforming the person's official duties as an employee of the United States; a department or agency of the United States; a state; or a department, agency, or political subdivision of a state if the person is authorized to carry a firearm as part of the person's official duties; or

(3) a firearm stored in a motor vehicle.

(d) Notice of the provisions of this section shall be posted conspicuously at each public entrance to each polling place.

(e) As used in this section:

(1) "Firearm" has the same meaning as in section 4017 of this title.

(2) "Polling place" means a place that a municipality has designated to the Secretary of State as a polling place pursuant to 17 V.S.A. § 2502(f).

Sec. 5. 17 V.S.A. § 2510 is added to read:

§ 2510. POLLING PLACES; FIREARMS PROHIBITED

(a)(1) A person shall not knowingly possess a firearm at a polling place or on the walks leading to a building in which a polling place is located on an election day.

(2) The provisions of subdivision (1) of this subsection shall apply to the town clerk's office during any period when a board of civil authority has voted to permit early voting pursuant to subdivision 2546b(a)(1) of this title.

(b) This section shall not apply to:

(1) a firearm carried for legitimate law enforcement purposes by a federal law enforcement officer or a law enforcement officer certified as a law enforcement officer by the Vermont Criminal Justice Council pursuant to 20 V.S.A. § 2358;

(2) a firearm carried by a person while preforming the person's official duties as an employee of the United States; a department or agency of the United States; a state; or a department, agency, or political subdivision of a state if the person is authorized to carry a firearm as part of the person's official duties; or

(3) a firearm stored in a motor vehicle.

(c) Notice of the provisions of this section shall be posted conspicuously at each public entrance to each polling place.

(d) As used in this section:

(1) "Firearm" has the same meaning as in section 13 V.S.A. § 4017.

(2) "Polling place" means a place that a municipality has designated to the Secretary of State as a polling place pursuant to subsection 2502(f) of this title.

Sec. 6. REPORT; VERMONT CRIME RESEARCH GROUP

On or before January 1, 2026, the Vermont Statistical Analysis Center (SAC) shall report data on prosecutions under Sec. 1 of this act to the House and Senate Committees on Judiciary. The report shall include:

(1) the number of civil violations filed and adjudications obtained for violations of 13 V.S.A. § 4083(a)(1) or (b)(1) relating to possessing a firearm, frame or receiver of a firearm, or unfinished frame or receiver of a firearm that is not imprinted with a serial number;

(2) the number of criminal charges filed and convictions obtained for violations of 13 V.S.A. § 4083(a)(2), (b)(2), or (c)(1) relating to transferring, offering to transfer, or manufacturing a firearm, frame or receiver of a firearm, or unfinished frame or receiver of a firearm that is not imprinted with a serial number;

(3) the number of criminal charges filed and convictions obtained for violations of 13 V.S.A. § 4083(d)(3) relating to carrying an unserialized firearm while committing a violent crime or while committing reckless endangerment; and

(4) the number of criminal charges filed and convictions obtained for violations of 13 V.S.A. § 4084(b) or (c) relating to improper serialization or handling of a firearm or frame or receiver of a firearm by a federal firearms licensee.

Sec. 7. REPORT ON FIREARM IN MUNICIPAL BUILDINGS; VERMONT LEAGUE OF CITIES AND TOWNS

(a) On or before January 15, 2025, the Office of the Secretary of State, in consultation with the Vermont League of Cities and Towns, the Vermont Municipal Clerks and Treasurers Association, the Commissioner of Buildings and General Services, and the Sergeant at Arms, shall report to the House and Senate Committees on Judiciary, the House Committee on Government Operations and Military Affairs, and the Senate Committee on Government Operations on options for prohibiting firearms in municipal and State government buildings, including the Vermont State House.

(b) The report required by this section shall include recommendations on the following topics:

(1) whether the preferable approach is:

(A) for the General Assembly to pass a statute prohibiting firearms in municipal buildings statewide; or

(B) for municipalities to be provided with the authority to decide whether to pass an ordinance prohibiting firearms in municipal buildings;

(2) whether a statewide prohibition should include a definition of the term "municipal building," and if so, what that definition should be; and

(3) which municipal buildings should be covered and which should not be covered by a prohibition on possessing firearms in municipal buildings.

(c) As used in this section, "firearm" has the same meaning as in 13 V.S.A. § 4017(d).

Sec. 8. EFFECTIVE DATES

(a) Secs. 1 and 2 of this act shall take effect on February 28, 2025.

(b) Secs. 3, 4, 5, 6, 7, and this section shall take effect on passage.

Which proposal of amendment was considered and concurred in.

Senate Proposal of Amendment Concurred in

H. 173

The Senate proposed to the House to amend House bill, entitled

An act relating to prohibiting manipulating a child for the purpose of sexual contact

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

First: By inserting a new Sec. 1 to read as follows:

Sec. 1. LEGISLATIVE FINDING

According to the Crimes Against Children Research Center, child sexual abuse is tragically widespread with one in five girls and one in 20 boys experiencing sexual abuse before 18 years of age. In over 90 percent of incidents of child sexual abuse, the perpetrator is someone known and trusted by the child and the child's family.

and by renumbering the remaining sections to be numerically correct.

Second: In the newly renumbered Sec. 2, purpose, by striking out subsections (a) and (c) in their entireties and by relettering the remaining subsections to be alphabetically correct and in the newly relettered subsection (a), after "community", by inserting with intent.

Which proposal of amendment was considered and concurred in.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 220

Rep. Mrowicki of Putney, for the Committee on Government Operations and Military Affairs, to which had been referred Senate bill, entitled

An act relating to Vermont's public libraries

Reported in favor of its passage in concurrence with proposal of amendment 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.

* * * 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.

Rep. Long of Newfane presiding.

Speaker presiding.

The bill, having appeared on the Notice Calendar, was taken up and read the second time.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Government Operations and Military Affairs?, **Rep. Toof of St. Albans Town** requested the vote be by division, and the proposal of amendment was agreed to: Yeas, 97 . Nays, 20.

Thereafter, third reading was ordered.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 192

Rep. Donahue of Northfield, for the Committee on Health Care, to which had been referred Senate bill, entitled

An act relating to forensic facility admissions criteria and processes

Reported in favor of its passage in concurrence with proposal of amendment 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 and programming for certain individuals in a forensic facility as anticipated by the passage of 2023 Acts and Resolves No. 27; and

(2) update the civil commitment procedures for individuals with intellectual disabilities.

* * * Human Services Community Safety Panel * * *

Sec. 2. 3 V.S.A. § 3098 is added to read:

§ 3098. HUMAN SERVICES COMMUNITY SAFETY PANEL

(a) There is hereby created the Human Services Community Safety Panel within the Agency of Human Services. The Panel shall be designated as the entity responsible for assessing the potential placement of individuals at a forensic facility pursuant to 13 V.S.A. § 4821 for individuals who:

(1) present a significant risk of danger to self or others if not held in a secure setting; and

(2)(A) are charged with a crime for which there is no right to bail pursuant to 13 V.S.A. §§ 7553 and 7553a and are found not competent to stand trial due to mental illness or intellectual disability; or

(B) were charged with a crime for which bail is not available and adjudicated not guilty by reason of insanity.

(b)(1) The Panel shall comprise the following members:

(A) the Secretary of Human Services;

(B) the Commissioner of Mental Health; and

(C) the Commissioner of Corrections.

(2) The Panel shall have the technical, legal, fiscal, and administrative support of the Agency of Human Services and the Departments of Mental Health and of Corrections.

(c) As used in this section, "forensic facility" has the same meaning as in 18 V.S.A. § 7101.

Sec. 3. 13 V.S.A. § 4821 is amended to read:

§ 4821. NOTICE OF HEARING; PROCEDURES

(a) The person who is the subject of the proceedings~~, his or her~~; the person's attorney~~,~~; the person's legal guardian, if any~~,~~; the Commissioner of Mental Health or the Commissioner of Disabilities, Aging, and Independent Living~~,~~; and the State's Attorney or other prosecuting officer representing the State in the case shall be given notice of the time and place of a hearing under section 4820 of this title. Procedures for hearings for persons with a mental illness shall be as provided in 18 V.S.A. chapter 181. Procedures for hearings for persons with an intellectual disability shall be as provided in 18 V.S.A. chapter 206, subchapter 3.

(b)(1) Once a report concerning competency or sanity is completed or disclosed to the opposing party, the Human Services Community Safety Panel established in 3 V.S.A. § 3098 may conduct a review on its own initiative regarding whether placement of the person who is the subject of the report is appropriate in a forensic facility. The review shall inform the Commissioner of Mental Health's decision as to whether to seek placement of the person in a forensic facility.

(2)(A) If the Panel does not initiate its own review, a party to a hearing under section 4820 of this chapter may file a written motion to the court requesting that the Panel conduct a review within seven days after receiving a report under section 4816 of this chapter or within seven days after being adjudicated not guilty by reason of insanity.

(B) A motion filed pursuant to this subdivision (2) shall specify that the person who is the subject of the proceedings is charged with a crime for which there is no right to bail pursuant to sections 7553 and 7553a of this title, and may include a person adjudicated not guilty by reason of insanity, and that the person presents a significant risk of danger to themselves or the public if not held in a secure setting.

(C) The court shall rule on a motion filed pursuant to this subdivision (2) within five days. A Panel review ordered pursuant to this subdivision (2)

shall be completed and submitted to the court at least three days prior to a hearing under section 4820 of this title.

(c) In conducting a review as whether to seek placement of a person in a forensic facility, the Human Services Community Safety Panel shall consider the following criteria:

(1) clinical factors, including:

(A) that the person is served in the least restrictive setting necessary to meet the needs of the person; and

(B) that the person's treatment and programming needs dictate that the treatment or programming be provided at an intensive residential level; and

(2) risk of harm factors, including:

(A) whether the person has inflicted or attempted to inflict serious bodily injury on another, attempted suicide or serious self-injury, or committed an act that would constitute sexual conduct with a child as defined in section 2821 of this title or lewd and lascivious conduct with a child as provided in section 2602 of this title, and there is reasonable probability that the conduct will be repeated if admission to a forensic facility is not ordered;

(B) whether the person has threatened to inflict serious bodily injury to the person or others and there is reasonable probability that the conduct will occur if admission to a forensic facility is not ordered;

(C) whether the results of any applicable evidence-based violence risk assessment tool indicates that the person's behavior is deemed a significant risk to others;

(D) the position of the parties to the criminal case as well as that of any victim as defined in subdivision 5301(4) of this title; and

(E) any other factors the Human Services Community Safety Panel determines to be relevant to the assessment of risk.

(d) As used in this chapter, "forensic facility" has the same meaning as in 18 V.S.A. § 7101.

* * * Admission to Forensic Facility for Persons in Need of Treatment or Continued Treatment * * *

Sec. 4. 13 V.S.A. § 4822 is amended to read:

§ 4822. FINDINGS AND ORDER; PERSONS WITH A MENTAL ILLNESS

(a)(1) If the court finds that the person is a person in need of treatment or a patient in need of further treatment as defined in 18 V.S.A. § 7101, the court shall issue an order of commitment directed to the Commissioner of Mental

Health that shall admit the person to the care and custody of the Department of Mental Health for ~~an indeterminate~~ a period of 90 days. In any case involving personal injury or threat of personal injury, the committing court may issue an order requiring a court hearing before a person committed under this section may be discharged from custody.

(2) If the Commissioner seeks to have a person receive treatment in a forensic facility pursuant to an order of nonhospitalization under subdivision (1) of this subsection, the Commissioner shall submit a petition to the court expressly stating that such treatment is being sought, including:

(A) a statement setting forth the reasons for the Commissioner's determination that clinically appropriate treatment for the person's condition can be provided safely only in a forensic facility; and

(B) the recommendation of the Human Services Community Safety Panel pursuant to section 4821 of this title.

(3) If the Commissioner determines that treatment at a forensic facility is appropriate, and the court finds that treatment at a forensic facility is the least restrictive setting adequate to meet the person's needs, the court shall order the person to receive treatment at a forensic facility for a period of 90 days. The court may, at any time following the issuance of an order, on its own motion or on motion of an interested party, review whether treatment at the forensic facility continues to be the least restrictive treatment option.

(b) An order of commitment issued pursuant to this section shall have the same force and effect as an order issued under 18 V.S.A. §§ 7611–7622, and a person committed under this order shall have the same status and the same rights, including the right to receive care and treatment, to be examined and discharged, and to apply for and obtain judicial review of ~~his or her~~ the person's case, as a person ordered committed under 18 V.S.A. §§ 7611–7622.

(c)(1) Notwithstanding the provisions of subsection (b) of this section, at least 10 days prior to the proposed discharge of any person committed under this section, the Commissioner of Mental Health shall give notice of the discharge to the committing court and State's Attorney of the county where the prosecution originated. In all cases requiring a hearing prior to discharge of a person found incompetent to stand trial under section 4817 of this title, the hearing shall be conducted by the committing court issuing the order under that section. In all other cases, when the committing court orders a hearing under subsection (a) of this section or when, in the discretion of the Commissioner of Mental Health, a hearing should be held prior to the discharge, the hearing shall be held in the Family Division of the Superior Court to determine if the committed person is no longer a person in need of

treatment or a patient in need of further treatment as set forth in subsection (a) of this section. Notice of the hearing shall be given to the Commissioner, the State's Attorney of the county where the prosecution originated, the committed person, and the person's attorney. Prior to the hearing, the State's Attorney may enter an appearance in the proceedings and may request examination of the patient by an independent psychiatrist, who may testify at the hearing.

(2)(A) This subdivision (2) shall apply when a person is committed to the care and custody of the Commissioner of Mental Health under this section after having been found:

(i) not guilty by reason of insanity; or

(ii) incompetent to stand trial, provided that the person's criminal case has not been dismissed.

(B)(i) When a person has been committed under this section, the Commissioner shall provide notice to the State's Attorney of the county where the prosecution originated or to the Office of the Attorney General if that office prosecuted the case:

(I) at least 10 days prior to discharging the person from:

(aa) the care and custody of the Commissioner; or

(bb) a hospital, a forensic facility, or a secure residential recovery facility to the community on an order of nonhospitalization pursuant to 18 V.S.A. § 7618;

(II) at least 10 days prior to the expiration of a commitment order issued under this section if the Commissioner does not seek continued treatment; or

(III) any time that the person elopes from the custody of the Commissioner.

(ii) When the State's Attorney or Attorney General receives notice under subdivision (i) of this subdivision (B), the Office shall provide notice of the action to any victim of the offense for which the person has been charged who has not opted out of receiving notice. A victim receiving notice pursuant to this subdivision (ii) has the right to submit a victim impact statement to the Family Division of the Superior Court in writing or through the State's Attorney or Attorney General's office.

(iii) As used in this subdivision (B), "victim" has the same meaning as in section 5301 of this title.

(d) The court may continue the hearing provided in subsection (c) of this section for a period of 15 additional days upon a showing of good cause.

(e) If the court determines that commitment shall no longer be necessary, it shall issue an order discharging the patient from the custody of the Department of Mental Health.

(f) The court shall issue its findings and order not later than 15 days from the date of hearing.

Sec. 5. 18 V.S.A. § 7101 is amended to read:

§ 7101. DEFINITIONS

As used in this part of this title, the following words, unless the context otherwise requires, shall have the following meanings:

* * *

(31)(A) "Forensic facility" means a residential facility, licensed as a therapeutic community residence as defined in 33 V.S.A. § 7102(11), for an individual initially committed pursuant to:

(i) 13 V.S.A. § 4822 who is in need of treatment or continued treatment pursuant to chapter 181 of this title within a secure setting for an extended period of time; or

(ii) 13 V.S.A. § 4823 who is in need of custody, care, and habilitation or continued custody, care, and habilitation pursuant to chapter 206 of this title within a secure setting for an extended period of time.

(B) A forensic facility shall not be used for any purpose other than the purposes permitted by this part or chapter 206 of this title. As used in this subdivision (31), "secure" has the same meaning as in section 7620 of this title.

Sec. 6. 18 V.S.A. § 7620 is amended to read:

§ 7620. APPLICATION FOR CONTINUED TREATMENT

(a) If, prior to the expiration of any order issued in accordance with section 7623 of this title, the Commissioner believes that the condition of the patient is such that the patient continues to require treatment, the Commissioner shall apply to the court for a determination that the patient is a patient in need of further treatment and for an order of continued treatment.

(b) An application for an order authorizing continuing treatment shall contain a statement setting forth the reasons for the Commissioner's determination that the patient is a patient in need of further treatment, a statement describing the treatment program provided to the patient, and the results of that course of treatment.

(c) Any order of treatment issued in accordance with section 7623 of this title shall remain in force pending the court's decision on the application.

(d) If the Commissioner seeks to have the patient receive the further treatment in a forensic facility or secure residential recovery facility, the application for an order authorizing continuing treatment shall expressly state that such treatment is being sought. The application shall contain, in addition to the statements required by subsection (b) of this section, a statement setting forth the reasons for the Commissioner's determination that clinically appropriate treatment for the patient's condition can be provided safely only in a secure residential recovery facility or forensic facility, as appropriate. An application for continued treatment in a forensic facility shall include the recommendation of the Human Services Community Safety Panel pursuant to 13 V.S.A. § 4821.

(e) As used in this chapter:

(1) "Secure," when describing a residential facility, means that the residents can be physically prevented from leaving the facility by means of locking devices or other mechanical or physical mechanisms.

(2) "Secure residential recovery facility" means a residential facility, licensed as a therapeutic community residence as defined in 33 V.S.A. § 7102(11), for an individual who no longer requires acute inpatient care but who does remain in need of treatment within a secure setting for an extended period of time. A secure residential recovery facility shall not be used for any purpose other than the purposes permitted by this section.

Sec. 7. 18 V.S.A. § 7621 is amended to read:

§ 7621. HEARING ON APPLICATION FOR CONTINUED TREATMENT; ORDERS

* * *

(c) If the court finds that the patient is a patient in need of further treatment but does not require hospitalization, it shall order nonhospitalization for up to one year. If the treatment plan proposed by the Commissioner for a patient in need of further treatment includes admission to a secure residential recovery facility or a forensic facility, the court may at any time, on its own motion or on motion of an interested party, review the need for treatment at the secure residential recovery facility or forensic facility, as applicable.

* * *

Sec. 8. 18 V.S.A. § 7624 is amended to read:

§ 7624. APPLICATION FOR INVOLUNTARY MEDICATION

(a) The Commissioner may commence an action for the involuntary medication of a person who is refusing to accept psychiatric medication and meets any one of the following ~~six~~ conditions:

(1) has been placed in the Commissioner's care and custody pursuant to section 7619 of this title or subsection 7621(b) of this title;

(2) has previously received treatment under an order of hospitalization and is currently under an order of nonhospitalization, including a person on an order of nonhospitalization who resides in a secure residential recovery facility;

(3) has been committed to the custody of the Commissioner of Corrections as a convicted felon and is being held in a correctional facility that is a designated facility pursuant to section 7628 of this title and for whom the Departments of Corrections and of Mental Health have determined jointly that involuntary medication would be appropriate pursuant to 28 V.S.A. § 907(4)(H);

(4) has an application for involuntary treatment pending for which the court has granted a motion to expedite pursuant to subdivision 7615(a)(2)(A)(i) of this title;

(5)(A) has an application for involuntary treatment pending;

(B) waives the right to a hearing on the application for involuntary treatment until a later date; and

(C) agrees to proceed with an involuntary medication hearing without a ruling on whether ~~he or she~~ the person is a person in need of treatment; ~~or~~

(6) has been placed under an order of nonhospitalization in a forensic facility; or

(7) has had an application for involuntary treatment pending pursuant to subdivision 7615(a)(1) of this title for more than 26 days without a hearing having occurred and the treating psychiatrist certifies, based on specific behaviors and facts set forth in the certification, that in ~~his or her~~ the psychiatrist's professional judgment there is good cause to believe that:

(A) additional time will not result in the person establishing a therapeutic relationship with providers or regaining competence; and

(B) serious deterioration of the person's mental condition is occurring.

(b)(1) Except as provided in subdivisions (2), (3), and (4) of this subsection, an application for involuntary medication shall be filed in the Family Division of the Superior Court in the county in which the person is receiving treatment.

(2) If the application for involuntary medication is filed pursuant to subdivision (a)(4) or (a)(6) of this section:

(A) the application shall be filed in the county in which the application for involuntary treatment is pending; and

(B) the court shall consolidate the application for involuntary treatment with the application for involuntary medication and rule on the application for involuntary treatment before ruling on the application for involuntary medication.

(3) If the application for involuntary medication is filed pursuant to subdivision (a)(5) or (a)~~(6)~~(7) of this section, the application shall be filed in the county in which the application for involuntary treatment is pending.

(4) Within 72 hours of the filing of an application for involuntary medication pursuant to subdivision (a)~~(6)~~(7) of this section, the court shall determine, based solely upon a review of the psychiatrist's certification and any other filings, whether the requirements of that subdivision have been established. If the court determines that the requirements of subdivision (a)~~(6)~~(7) of this section have been established, the court shall consolidate the application for involuntary treatment with the application for involuntary medication and hear both applications within 10 days after the date that the application for involuntary medication is filed. The court shall rule on the application for involuntary treatment before ruling on the application for involuntary medication. Subsection 7615(b) of this title shall apply to applications consolidated pursuant to this subdivision.

* * *

Sec. 9. 18 V.S.A. § 7627 is amended to read:

§ 7627. COURT FINDINGS; ORDERS

* * *

(o) For a person who is receiving treatment pursuant to an order of nonhospitalization in a forensic facility, if the court finds that without an order for involuntary medication there is a substantial probability that the person would continue to refuse medication and as a result would pose a danger of

harm to self or others, the court may order administration of involuntary medications at a forensic facility for up to 90 days, unless the court finds that an order is necessary for a longer period of time. An order for involuntary medication pursuant to this subsection shall not be longer than the duration of the current order of nonhospitalization. If at any time the treating psychiatrist finds that a person subject to an order for involuntary medication has become competent pursuant to subsection 7625(c) of this title, the order shall no longer be in effect.

* * * Persons in Need of Custody, Care, and Habilitation or Continued Custody, Care, and Habilitation * * *

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. § 4815 is amended to read:

§ 4815. PLACE OF EXAMINATION; TEMPORARY COMMITMENT

* * *

(b) The order for examination may provide for an examination at any jail or correctional ~~center~~ facility, or at the State Hospital, or at its successor in interest, or at such other place as the court shall determine, after hearing a recommendation by the Commissioner of Mental Health or the Commissioner of Disabilities, Aging, and Independent, as appropriate.

* * *

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

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

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

(g)(1) Inpatient examination at the Vermont State Hospital, or its successor in interest, or a designated hospital. The court shall not order an inpatient examination unless ~~the~~ a designated mental health professional determines that the defendant is a person in need of treatment as defined in 18 V.S.A. § 7101(17).

(2) Before ordering the inpatient examination, the court shall determine what terms, if any, shall govern the defendant's release from custody under sections 7553-7554 of this title.

(3) An order for inpatient examination shall provide for placement of the defendant in the custody and care of the Commissioner of Mental Health.

(A) If a Vermont State Hospital psychiatrist, or a psychiatrist of its successor in interest, or a designated hospital psychiatrist determines that the defendant is not in need of inpatient hospitalization prior to admission, the Commissioner shall release the defendant pursuant to the terms governing the defendant's release from the Commissioner's custody as ordered by the court. The Commissioner of Mental Health shall ensure that all individuals who are determined not to be in need of inpatient hospitalization receive appropriate referrals for outpatient mental health services.

(B) If a Vermont State Hospital psychiatrist, or a psychiatrist of its successor in interest, or designated hospital psychiatrist determines that the defendant is in need of inpatient hospitalization:

(i) The Commissioner of Mental Health shall obtain an appropriate inpatient placement for the defendant at the Vermont State Hospital psychiatrist, or a psychiatrist of its successor in interest, or a designated hospital and, based on the defendant's clinical needs, may transfer the defendant between hospitals at any time while the order is in effect. A transfer to a designated hospital outside the no refusal system is subject to acceptance of the patient for admission by that hospital.

(ii) The defendant shall be returned to court for further appearance on the following business day if the defendant is no longer in need of inpatient hospitalization, unless the terms established by the court pursuant to subdivision (2) of this section permit the defendant to be released from custody.

(C) The defendant shall be returned to court for further appearance within two business days after the Commissioner of Mental Health notifies the court that the examination has been completed, unless the terms established by the court pursuant to subdivision (2) of this section permit the defendant to be released from custody.

* * *

Sec. 12. 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~~ an intellectual disability shall ~~include~~ be a current evaluation by a doctoral-level psychologist trained in forensic psychology and licensed under 26 V.S.A. chapter 55 who is skilled in assessing individuals with ~~developmental~~ intellectual disabilities.

* * *

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

(f) Introduction of a report under subsection (d) of this section shall not preclude either party or the court from calling the psychiatrist 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. 13. 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. 14. 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. 15. 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. 16. 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 section 2821 of this title or lewd and lascivious conduct with a child as provided in section 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 section 2821 of this title or lewd and lascivious conduct with a child as provided in section 2602 of this title; and

(C) for whom appropriate custody, care, and habilitation can be provided by the Commissioner in a designated program.

(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.]

§ 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.

(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 and may have immediate or delayed effect.

(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.

(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. 17. INDIVIDUALS WITH INTELLECTUAL DISABILITES; 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. 18. REPORT; COMPETENCY RESTORATION PROGRAM; FISCAL ESTIMATE

On or before November 1, 2024, the Agency of Human Services shall submit a report to the House Committees on Appropriations, on Health Care, and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare that provides a fiscal estimate for the implementation of a competency restoration program operated or under contract with the Department of Mental Health. The estimate shall include:

(1) whether and how to serve individuals with an intellectual disability in a competency restoration program;

(2) varying options dependent upon which underlying charges are eligible for court-ordered competency restoration; and

(3) costs associated with establishing a residential program where court-ordered competency restoration programming may be performed on an individual who is neither in the custody of the Commissioner of Mental Health pursuant to 13 V.S.A. § 4822 nor in the custody of the Commissioner of Disabilities, Aging, and Independent Living pursuant to 13 V.S.A. § 4823.

* * * Rulemaking * * *

Sec. 19. RULEMAKING; CONFORMING AMENDMENTS

On or before November 1, 2024, the Commissioner of Disabilities, Aging, and Independent Living, in consultation with the Commissioner of Mental Health, shall file initial proposed rule amendments with the Secretary of State pursuant to 3 V.S.A. § 836(a)(2) to the Department of Disabilities, Aging, and Independent Living, Licensing and Operating Regulations for Therapeutic Community Residences (CVR 13-110-12) for the purpose of:

(1) adding a forensic facility section of the rule that includes allowing the use of emergency involuntary procedures and the administration of involuntary medication at a forensic facility; and

(2) amending the secure residential recovery facility section of the rule to allow the use of emergency involuntary procedures and the administration of involuntary medication at the secure residential recovery facility.

* * * Effective Dates * * *

Sec. 20. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that Secs. 2–9 shall take effect on July 1, 2025.

and that after passage the title of the bill be amended to read: "An act relating to forensic facility admission procedures for individuals with a mental illness and civil commitment procedures for individuals with an intellectual disability"

Rep. Berbeco of Winooski, for the Committee on Health Care, recommended that the report of the Committee on Human Services be amended 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 facility that:

(A) serves individuals between 12 and 21 years of age;

(B) has a provider agreement with the Agency of Human Services to provide residential services to Medicaid-eligible individuals;

(C) is accredited by the Joint Commission or any other accrediting organization with comparable standards recognized by the Commissioner of Mental Health;

(D) meets the requirements in 42 C.F.R. §§ 441.151–441.182; and

(E) holds a license pursuant to section 7260 of this title.

(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) performance measures that demonstrate results and other data on individuals for whom petitions for involuntary medication are filed; and

~~(8)~~(9) 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. 8. 18 V.S.A. § 7260 is added to read:

§ 7260. PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY FOR YOUTH

(a) An applicant shall not establish, maintain, or operate a psychiatric residential treatment facility for youth in this State without first obtaining a license from the Department of Health for the psychiatric residential treatment facility for youth 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 demonstrate 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 in accordance with 42 C.F.R. § 441.151.

(2) The applicant shall demonstrate that its facility complies fully 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.

(3) The applicant shall have a clear process for responding to resident complaints.

(4) 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.

(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; and

(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.

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. 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 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. 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. 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.

* * *

(e) The relevant portion of a ~~psychiatrist's~~ report produced by a psychiatrist or psychologist, as described in subsection (c) of this section, shall be admitted into evidence as an exhibit on the issue of the person's mental competency to stand trial and the opinion shall be conclusive on the issue if agreed to by the parties and if found by the court to be relevant and probative on the issue.

(f) Introduction of a report under subsection (d) of this section shall not preclude either party or the court from calling the psychiatrist or psychologist as described in subsection (b) of this section 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. 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 section 2821 of this title or lewd and lascivious conduct with a child as provided in section 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 section 2821 of this title or lewd and lascivious conduct with a child as provided in section 2602 of this title; and

(C) for whom appropriate custody, care, and habilitation can be provided by the Commissioner in a designated program.

(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.]

§ 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.

(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 and may have immediate or delayed effect.

(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.

(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"

Rep. Dolan of Essex Junction, for the Committee on Judiciary, recommended that the report of the Committee on Health Care be amended as follows:

First: By inserting a new section to be Sec. 17a to read as follows:

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.

Second: By striking out Sec. 22, 13 V.S.A. § 4816, in its entirety and inserting in lieu thereof a new Sec. 22 to read as follows:

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.

* * *

Third: In Sec. 26, 18 V.S.A. chapter 206, subchapter 3, in section 8839, in subdivisions (3)(B)(i) and (4)(B) by striking out "section 2821 of this title" and inserting in lieu thereof "13 V.S.A. § 2821" in both instances in which it appears and by striking out "section 2602 of this title" and inserting in lieu thereof "13 V.S.A. § 2602" in both instances in which it appears

Fourth: In Sec. 26, 18 V.S.A. chapter 206, subchapter 3, in section 8845, in subsection (b), by inserting a second sentence to read as follows:

"The hearing may be continued for good cause shown."

Fifth: In Sec. 26, 18 V.S.A. chapter 206, subchapter 3, in section 8847, in subsection (b), by striking out "and may have immediate or delayed effect"

Sixth: In Sec. 26, 18 V.S.A. chapter 206, subchapter 3, in section 8847, in subdivision (c)(2), by inserting a second sentence to read as follows:

"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."

The bill, having appeared on the Notice Calendar was taken up, read the second time, and the report of the Committee on Health Care was amended as recommended by the Committee on Judiciary.

Pending the question, Shall the report of the Committee on Human Services be amended as recommended by the Committee on Health Care, as amended?, **Rep. Donahue of Northfield** moved to amend the report of the Committee on Health Care, as amended, as follows:

First: In Sec. 3, 18 V.S.A. § 7101, by striking out subdivision (32) in its entirety and inserting a new subdivision (32) to read as follows:

(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.

Second: By striking out Sec. 8, 18 V.S.A. § 7260, in its entirety and inserting a new Sec. 8 to read as follows:

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 and demonstrate 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 of 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.

Which was agreed to.

Pending the question, Shall the report of the Committee on Human Services be amended as recommended by the Committee on Health Care, as amended?, **Rep. Donahue of Northfield** moved to further amend the report of the Committee on Health Care, as amended, as follows:

First: In Sec. 6, 18 V.S.A. 7256, by inserting a new subdivision (8) after subdivision (7) to read as follows:

(8) barriers to discharge from mental health inpatient and secure residential levels of care, including recommendations on how to address those barriers;

and by renumbering the remaining subdivisions to be numerically correct.

Second: By inserting a Sec. 7a after Sec. 7, 18 V.S.A. § 7257, to read as follows:

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.

Third: In Sec. 8, 18 V.S.A. § 7260, in subsection (b), in subdivision (1), by striking out the word "demonstrate" and inserting lieu thereof "be a nonprofit entity that demonstrates"

Fourth: By inserting Secs. 9a and 9b after Sec. 9, 18 V.S.A. § 7503, to read as follows:

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.

* * *

Fifth: By inserting a Sec. 15a after Sec. 15, 18 V.S.A. § 7628, to read as follows:

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.

Which was agreed to. Thereupon, the report of the Committee on Human Services was amended as recommended by the Committee on Health Care, as amended.

Thereafter, the report of the Committee on Human Services, as amended, was agreed to and third reading ordered.

Action on Bill Postponed

S. 195

Senate bill, entitled

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

Was taken up and, pending third reading of the bill, on motion of **Rep. LaLonde of South Burlington**, action on the bill was postponed until May 7, 2024.

Action on Bill Postponed

S. 302

Senate bill, entitled

An act relating to public health outreach programs regarding dementia risk

Was taken up and, pending second reading of the bill, on motion of **Rep. Hyman of South Burlington**, action on the bill was postponed until May 7, 2024.

Action on Bill Postponed

S. 25

Senate bill, entitled

An act relating to regulating cosmetic and menstrual products containing certain chemicals and chemical classes and textiles and athletic turf fields containing perfluoroalkyl and polyfluoroalkyl substances

Was taken up and, pending consideration of the Senate proposal of amendment to the House proposal of amendment, on motion of **Rep. Whitman of Bennington**, action on the bill was postponed until May 7, 2024.

Action on Bill Postponed

S. 114

Senate bill, entitled

An act relating to the establishment of the Psychedelic Therapy Advisory Working Group

Was taken up and, pending consideration of the Senate proposal of amendment, on motion of **Rep. Garofano of Essex**, action on the bill was postponed until May 7, 2024.

Action on Bill Postponed

S. 167

Senate bill, entitled

An act relating to miscellaneous amendments to education law

Was taken up and, pending second reading of the bill, on motion of **Rep. Conlon of Cornwall**, action on the bill was postponed until May 7, 2024.

Action on Bill Postponed

S. 183

Senate bill, entitled

An act relating to reenvisioning the Agency of Human Services

Was taken up and, pending second reading of the bill, on motion of **Rep. Brumsted of Shelburne**, action on the bill was postponed until May 7, 2024.

Action on Bill Postponed

S. 253

Senate bill, entitled

An act relating to building energy codes

Was taken up and, pending second reading of the bill, on motion of **Rep. Stebbins of Burlington**, action on the bill was postponed until May 7, 2024.

Action on Bill Postponed

S. 305

Senate bill, entitled

An act relating to miscellaneous changes related to the Public Utility Commission

Was taken up and, pending second reading of the bill, on motion of **Rep. Patt of Worcester**, action on the bill was postponed until May 7, 2024.

Action on Bill Postponed

S. 159

Senate bill, entitled

An act relating to the County and Regional Governance Study Committee

Was taken up and, pending second reading of the bill, on motion of **Rep. Nugent of South Burlington**, action on the bill was postponed until May 7, 2024.

Action on Bill Postponed

H. 655

Senate bill, entitled

An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records

Was taken up and pending the question, Shall the House concur in the Senate proposal of amendment?, on motion of **Rep. Dolan of Essex Junction**, action on the bill was postponed until May 7, 2024.

Action on Bill Postponed

H. 687

Senate bill, entitled

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

Was taken up and pending the question, Shall the House concur in the Senate proposal of amendment?, on motion of **Rep. Satcowitz of Randolph**, action on the bill was postponed until May 7, 2024.

Leave of House Granted; Vote Changed

Pursuant to House Rule 74, **Rep. Donahue of Northfield** asked and was granted leave of the House to change her vote on S. 259, An act relating to climate change cost recovery, on the question, Shall the bill pass in concurrence with proposal of amendment? This vote has been changed accordingly in this day's Journal entry on that roll call vote.

Adjournment

At five o'clock and forty-one minutes in the afternoon, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at ten o'clock in the forenoon.

Tuesday, May 7, 2024

At ten o'clock in the forenoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rev. Tricia Hart, Champlain Valley Unitarian Universalist Society, Middlebury.

Ceremonial Reading

H.C.R. 208

House concurrent resolution congratulating the Allard Lumber Company of Brattleboro on its 50th anniversary

Offered by: Representatives Burke of Brattleboro, Kornheiser of Brattleboro, and Toleno of Brattleboro

Whereas, the lumber industry has evolved to meet the demands of the 21st century, and the operations of the Allard Lumber Company of Brattleboro reflect these changes, and

Whereas, in 1974, Clifford Allard and his brother established the Allard Lumber Company on the farm of Robert Allard Sr., using a 100-year-old handset circle mill for sawing customized orders, and

Whereas, the sawmill and the company have since grown and diversified, with a far larger customer base, log yards in several states, and a staff of over 50 employees, and

Whereas, Allard Lumber Company now offers kiln drying, planing, and grading of lumber, as well as sawing services, and

Whereas, the Allard Lumber Company employs the most effective milling techniques, and the resulting waste products are used to dry lumber, heat buildings and kilns, and make mulch, as well as produce other wood products, and

Whereas, woodlot owners, school groups, and other organizations may arrange tours of the Allard Lumber facility in Brattleboro, and

Whereas, Trevor Allard, who serves on the board of the Vermont Forest Products Association, and his father are both respected regional leaders in the wood products industry, and

Whereas, a half century after its formation, the Allard Lumber Company remains a proud and thriving family-owned and -operated business, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly congratulates the Allard Lumber Company of Brattleboro on its 50th anniversary, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Allard Lumber Company.

Having been adopted in concurrence on Friday, April 5, 2024 in accord with Joint Rule 16b, was read.

Rules Suspended, Immediate Consideration; Second Reading; Third Reading Ordered; Rules Suspended, All Remaining Stages of Passage; Third Reading; Bill Passed; Rules Suspended, Messaged to the Senate Forthwith

H. 888

On motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to approval of amendments to the charter of the Town of Hartford

Appearing on the Notice Calendar, was taken up for immediate consideration.

Rep. Waters Evans of Charlotte, for the Committee on Government Operations and Military Affairs, reported that the bill ought to pass.

Thereupon, the bill was read the second time, and third reading was ordered.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the bill placed in all remaining stages of passage. The bill was read the third time and passed.

Thereupon, on motion of **Rep. McCoy of Poultney** the rules were suspended and the bill was ordered messaged to the Senate forthwith.

Proposal of Amendment Amended; Third Reading;
Bill Passed in Concurrence with Proposal of Amendment

S. 195

Senate bill, entitled

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

Was taken up and, pending third reading of the bill, **Reps. Emmons of Springfield and LaLonde of South Burlington** moved to amend the House proposal of amendment by striking out Sec. 3, 13 V.S.A. § 7554b, in its entirety and inserting a new Sec. 3 to read as follows:

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.

~~(c)~~(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.

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

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 114

Rep. Garofano of Essex, for the Committee on Human Services, to which had been referred Senate bill, entitled

An act relating to the establishment of the Psychedelic Therapy Advisory Working Group

Reported in favor of its passage in concurrence with proposal of amendment 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; and

(8) the Vermont Commissioner of Mental Health or designee.

(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 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.

Rep. Bluemle of Burlington, for the Committee on Appropriations, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Human Services.

The bill, having appeared on the Notice Calendar, was taken up, and read the second time.

Pending the question, Shall the House propose to the Senate to amend the bill as recommended by the Committee on Human Services?, **Rep. Garofano of Essex** moved to amend the report of the Committee on Human Services as follows:

First: In Sec. 1, Psychedelic Therapy Advisory Working Group; study, in subdivision (b)(7), by striking out "and", and in subdivision (b)(8), after "designee", by inserting "; and" and by inserting a new subdivision to be subdivision (b)(9) to read as follows:

(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

Second: In Sec. 1, Psychedelic Therapy Advisory Working Group; study, in subsection (d) after "Vermont Department of Mental Health" by inserting

", in collaboration with the Vermont Psychological Association,"

Which was agreed to. Thereupon, the report of the Committee on Human Services, as amended, was agreed to and third reading was ordered.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 167

Rep. Conlon of Cornwall, for the Committee on Education, to which had been referred Senate bill, entitled

An act relating to miscellaneous amendments to education law

Reported in favor of its passage in concurrence with proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Public Construction Bids * * *

Sec. 1. 16 V.S.A. § 559 is amended to read:

§ 559. PUBLIC BIDS

* * *

(b) High-cost construction contracts. When a school construction contract exceeds ~~$500,000.00~~ $2,000,000.00:

(1) The State Board shall establish, in consultation with the Commissioner of Buildings and General Services and with other knowledgeable sources, general rules for the prequalification of bidders on such a contract. The Department of Buildings and General Services, upon notice by the Secretary, shall provide to school boards undergoing construction projects suggestions and recommendations on bidders qualified to provide construction services.

(2) At least 60 days prior to the proposed bid opening on any construction contract to be awarded by a school board that exceeds ~~$500,000.00~~ $2,000,000.00, the school board shall publicly advertise for contractors interested in bidding on the project. The advertisement shall indicate that the school board has established prequalification criteria that a contractor must meet and shall invite any interested contractor to apply to the school board for prequalification. All interested contractors shall submit their qualifications to the school board, which shall determine a list of eligible prospective bidders based on the previously established criteria. At least 30 days prior to the proposed bid opening, the school board shall give written notice of the board's determination to each contractor that submitted qualifications. The school board shall consider all bids submitted by prequalified bidders meeting the deadline.

(c) Contract award.

(1) A contract for any such item or service to be obtained pursuant to subsection (a) of this section shall be ~~awarded to one of~~ selected from among the three or fewer lowest responsible bids conforming to specifications, with consideration being given to quantities involved, time required for delivery, purpose for which required, competency and responsibility of bidder, and ~~his or her~~ the bidder's ability to render satisfactory service. A board shall have the right to reject any or all bids.

(2) A contract for any property, construction, good, or service to be obtained pursuant to subsection (b) of this section shall be awarded to the lowest responsible bid conforming to specifications. However, when considering the base contract amount and without considering cost overruns, if the two lowest responsible bids are within one percent of each other, the board may award the contract to either bidder. A board shall have the right to reject any bid found not to be responsible or conforming to specifications or to reject all bids.

* * *

(e) Application of this section. Any contract entered into or purchase made in violation of the provisions of this section shall be void; provided, however, that:

(1) The provisions of this section shall not apply to contracts for the purchase of books or other materials of instruction.

(2) A school board may name in the specifications and invitations for bids under this section the particular make, kind, or brand of article or articles to be purchased or contracted.

(3) Nothing in this section shall apply to emergency repairs.

(4) ~~Nothing in this section shall be construed to prohibit a school board from awarding a school nutrition contract after using any method of bidding or requests for proposals permitted under federal law for award of the contract. Notwithstanding the monetary amount in subsection (a) of this section for which a school board is required to advertise publicly or invite three or more bids or requests for proposal, a school board is required to publicly advertise or invite three or more bids or requests for proposal for purchases made from the nonprofit school food service account for purchases in excess of the federal simplified acquisition threshold when purchasing food or in excess of $25,000.00 when purchasing nonfood items, unless a municipality sets a lower threshold for purchases from the nonprofit school food service account.~~ The provisions of this section shall not apply to contracts for the purchase of food made from a nonprofit school food services account.

* * *

* * * Postsecondary Schools Chartered in Vermont * * *

Sec. 2. 16 V.S.A. § 176(d) is amended to read:

(d) Exemptions. The following are exempt from the requirements of this section except for the requirements of subdivision (c)(1)(C) of this section:

* * *

(4) Postsecondary schools that are accredited. The following postsecondary institutions are accredited, meet the criteria for exempt status, and are authorized to operate educational programs beyond secondary education, including programs leading to a degree or certificate: Bennington College, Champlain College, ~~College of St. Joseph,~~ Goddard College, ~~Green Mountain College,~~ Landmark College, ~~Marlboro College,~~ Middlebury College, ~~New England Culinary Institute,~~ Norwich University, Saint Michael's College, SIT Graduate Institute, ~~Southern Vermont College,~~ Sterling College, Vermont College of Fine Arts, and Vermont Law and Graduate School. This authorization is provided solely to the extent necessary to ensure institutional compliance with federal financial aid-related regulations, and it does not affect, rescind, or supersede any preexisting authorizations, charters, or other forms of recognition or authorization.

* * *

Sec. 3. 2023 Acts and Resolves No. 29, Sec. 6(c) is amended to read:

(c) Sec. 2 (16 V.S.A. § 1480) shall take effect on ~~July 1, 2024~~ July 1, 2025.

* * * Holocaust Education * * *

Sec. 4. HOLOCAUST EDUCATION; DATA COLLECTION; REPORT

(a) On or before December 1, 2024, the Agency of Education shall request from all supervisory unions information regarding how Holocaust education is taught in the prekindergarten through grade 12 supervisory union-wide curriculum. The Agency may consult with such entities as the U.S. Holocaust Museum and the Vermont Holocaust Memorial.

(b) On or before September 1, 2025, Supervisory unions shall report back to the Agency with the information requested pursuant to subsection (a) of this section.

(c) On or before January 1, 2026, the Agency shall submit a written report to the Senate and House Committees on Education with information, organized by supervisory union, regarding the inclusion of Holocaust education in curriculum across the State.

* * * Virtual Learning * * *

Sec. 5. 16 V.S.A. § 948 is added to read:

§ 948. VIRTUAL LEARNING

(a) The Agency of Education shall maintain access to and oversight of a virtual learning provider for the purpose of offering virtual learning opportunities to Vermont students.

(b) A student may enroll in virtual learning if:

(1) the student is enrolled in a Vermont public school, including a Vermont career technical center;

(2) virtual learning is determined to be an appropriate learning pathway outlined in the student's personalized learning plan; and

(3) the student's learning experience occurs under the supervision of an appropriately licensed educator and aligns with State expectations and standards, as adopted by the Agency and the State Board of Education, as applicable.

(c) The Agency of Education shall adopt rules pursuant to 3 V.S.A. chapter 25 to implement this section.

(d) A school district shall count a student enrolled in virtual learning in the school district's average daily membership, as defined in section 4001 of this title, if the student meets all of the criteria in subsection (b) of this section.

Sec. 6. 16 V.S.A. § 942(13) is amended to read:

(13) "Virtual learning" means ~~learning in which the teacher and student communicate concurrently through real-time telecommunication. "Virtual learning" also means online learning in which communication between the teacher and student does not occur concurrently and the student works according to his or her own schedule~~ an intentionally designed learning environment for online teaching and learning using online design principles and teachers trained in the delivery of online instruction. This instruction may take place either in a self-paced environment or a real-time environment.

* * * Home Study Program * * *

Sec. 7. 16 V.S.A. § 166b is amended to read:

§ 166b. HOME STUDY PROGRAM

(a) Enrollment notice. A parent or legal guardian shall send the Secretary notice of intent to enroll the parent's or legal guardian's child in a home study program at least 10 business days prior to commencing home study. Such

notice shall be submitted via a form developed by the Agency of Education. A notice under this subsection shall include the following:

* * *

(5) An attestation that each child being enrolled in home study will be provided the equivalent of at least 175 days of instruction in the minimum course of study per year~~, specifically~~. The instruction provided shall be adapted in each of the minimum courses of study to the age and ability of each child, as well as the disability of each child, as applicable. Nothing in this section shall be construed to require a home study program to follow the program or methods used by public schools. Specifically, the minimum course of study per year means:

(A) for a child who is younger than 13 years of age, the subject areas listed in section 906 of this title;

(B) for a child who is 13 years of age or older, the subject areas listed in subdivisions 906(b)(1), (2), (4), and (5) of this title; or

(C) for students with documented disabilities, a parent or guardian must attest to providing adaptations to support the student in the home study program.

* * *

(e) Hearings after enrollment. If the Secretary has information that reasonably could be expected to justify an order of termination under this section, the Secretary may call a hearing. At the hearing, the Secretary shall establish one or more of the following:

(1) the home study program has substantially failed to comply with the requirements of this section;

(2) the home study program has substantially failed to provide a student with the minimum course of study;

(3) the home study program will not provide a student with the minimum course of study; or

(4) the home study program has failed to show progress commensurate with age and ability in the annual assessment maintained by the home study program.

(f) Notice and procedure. Notice of a hearing shall include a brief summary of the material facts and shall be sent to each parent or guardian and each instructor of the student or students involved who are known to the Secretary. The hearing shall occur within 30 days following the day that notice is given or sent. The hearing shall be conducted by an impartial hearing

officer appointed by the Secretary from a list approved by the State Board. At the request of the child's parent or guardian, the hearing officer shall conduct the hearing at a location in the vicinity of the home study program.

(g) Order following hearing. After hearing evidence, the hearing officer shall enter an order within 10 working days. The order shall provide that enrollment be continued or that the enrollment be terminated. An order shall take effect immediately. Unless the hearing officer provides for a shorter period, an order terminating enrollment shall extend until the end of the following school year, as defined in this title. If the order is to terminate the enrollment, a copy shall be given to the appropriate superintendent of schools, who shall take appropriate action to ensure that the child is enrolled in a school as required by this title. Following a hearing, the Secretary may petition the hearing officer to reopen the case only if there has been a material change in circumstances.

* * *

* * * Secretary of Education Search* * *

Sec. 8. 3 V.S.A. § 2702 is amended to read:

§ 2702. SECRETARY OF EDUCATION

(a) With the advice and consent of the Senate, the Governor shall appoint a Secretary of Education from among ~~no~~ not fewer than three candidates proposed by the State Board of Education. The Secretary shall serve at the pleasure of the Governor.

(1) The State Board shall begin a robust national search process not later than 60 days after public notification of the resignation of a Secretary of Education.

(2) The State Board may request from the Agency of Education the funds necessary to utilize outside resources for the search process required pursuant to this subsection.

(b) The Secretary shall report directly to the Governor and shall be a member of the Governor's Cabinet.

(c) At the time of appointment, the Secretary shall have expertise in education management and policy demonstrated leadership and management abilities.

* * * Agency of Education Financial Data Report * * *

Sec. 9. EDUCATION FINANCE INFORMATION; AGENCY OF EDUCATION; REPORT

(a) On or before September 15, 2024, the Agency of Education shall submit a written report to the General Assembly that shall include the following information for fiscal years 2023 and 2024:

(1) a financial analysis of the cost of the mental health and behavioral needs services provided by school districts and paid for from the Education Fund, broken down by costs in the following categories:

(A) mental health and behavioral needs staffing costs;

(B) mental health and behavioral needs transportation related costs; and

(C) costs associated with educating students outside the district due to mental health or behavioral needs; and

(2) the districts that provide for the education of their students in any grade by paying tuition, including the following information, by school district:

(A) the number of students tuitioned in each grade; and

(B) the name and location of the schools students are tuitioned to, including the number of students in each school district attending a particular school and the amount of tuition charged by each receiving school.

(b) On or before December 1 2024, the Agency of Education shall submit a written report to the General Assembly with an analysis whether an interagency collaboration between the Agencies of Education and of Human Services to provide the social services currently provided by school districts is possible and, if so, what the possible advantages or disadvantages to such a collaboration might be.

* * * Overpayment of Education Taxes * * *

Sec. 10. 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 Date * * *

Sec. 11. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

Rep. Beck of St. Johnsbury, for the Committee on Ways and Means, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Education.

Rep. Mihaly of Calais, for the Committee on Appropriations, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Education.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Education agreed to, and third reading ordered.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 183

Rep. Gregoire of Fairfield, for the Committee on Human Services, to which had been referred Senate bill, entitled

An act relating to reenvisioning the Agency of Human Services

Reported in favor of its passage in concurrence with proposal of amendment 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; 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.

Rep. Hooper of Burlington, for the Committee on Government Operations and Military Affairs, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Human Services and when further amended as follows:

In Sec. 2, reenvisioning the Agency of Human Services; report, in subsection (a), following "and its departments;", by inserting "State employees;"

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and the report of the Committee on Human Services was amended as recommended by the Committee on Government Operations and Military Affairs. Thereupon, the report of the Committee on Human Services, as amended, was agreed to and third reading was ordered.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 253

Rep. Stebbins of Burlington, for the Committee on Environment and Energy, to which had been referred Senate bill, entitled

An act relating to building energy codes

Reported in favor of its passage in concurrence with proposal of amendment 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).

Rep. Harrison of Chittenden, for the Committee on Appropriations, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Environment and Energy.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Environment and Energy agreed to, and third reading ordered.

Recess

At eleven o'clock and fifty-nine minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

Message from the Senate No. 61

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

H. 289. An act relating to the Renewable Energy Standard.

And has passed the same in concurrence.

The Senate has considered 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. 847. An act relating to peer support provider and recovery support specialist certification.

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

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

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

And has concurred therein.

The Senate has considered 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 with an amendment in the passage of which the concurrence of the House is requested.

Pursuant to the request of the House for a Committee of Conference on the disagreeing votes of the two Houses on House bill entitled:

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

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Ingalls
Senator Harrison
Senator Collamore

Called to Order

At one o'clock and fifty-nine minutes in the afternoon, the Speaker called the House to order.

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 302

Rep. Hyman of South Burlington, for the Committee on Human Services, to which had been referred Senate bill, entitled

An act relating to public health outreach programs regarding dementia risk

Reported in favor of its passage in concurrence with proposal of amendment 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.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Human Services agreed to, and third reading ordered.

Senate Proposal of Amendment Concurred in

H. 72

The Senate proposed to the House to amend House bill, entitled

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

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

* * * Overdose Prevention Centers * * *

Sec. 1. 18 V.S.A. § 4256 is added to read:

§ 4256. OVERDOSE PREVENTION CENTERS

(a) An overdose prevention center:

(1) provides a space, either at a fixed location or a mobile facility, supervised by health care professionals or other trained staff where persons who use drugs can consume preobtained drugs and medication for substance use disorder;

(2) provides harm reduction supplies, including sterile injection supplies; collects used hypodermic needles and syringes; and provides secure hypodermic needle and syringe disposal services;

(3) provides drug-checking services;

(4) answers questions on safer consumption practices;

(5) administers first aid, if needed, and monitors and treats potential overdoses;

(6) provides referrals to addiction treatment, medical services, and social services;

(7) educates participants on the risks of contracting HIV and viral hepatitis, wound care, and safe sex education;

(8) provides overdose prevention education and distributes overdose reversal medications, including naloxone;

(9) educates participants regarding proper disposal of hypodermic needles and syringes;

(10) provides reasonable security of the program site;

(11) establishes operating procedures for the program as well as eligibility criteria for program participants; and

(12) trains staff members to deliver services offered by the program.

(b) The Department of Health, in consultation with stakeholders and health departments of other jurisdictions that have overdose prevention centers, shall develop operating guidelines for overdose prevention centers not later than September 15, 2024. The operating guidelines shall include the level of staff qualifications required for medical safety and treatment and referral support and require an overdose prevention center to staff trained professionals during operating hours who, at a minimum, can provide basic medical care, such as CPR, overdose interventions, first aid, and wound care, as well as have the ability to perform medical assessments with program participants to determine if there is a need for emergency medical service response. Overdose prevention center staff may include peers, case managers, medical professionals, and mental health counselors.

(c)(1) The following persons are entitled to the immunity protections set forth in subdivision (2) of this subsection for participation in or with an approved overdose prevention center that is acting in the good faith provision of overdose prevention services in accordance with the guidelines established pursuant to this section:

(A) an individual using the services of an overdose prevention center;

(B) a staff member, operator, administrator, or director of an overdose prevention center, including a health care professional, manager, employee, or volunteer; or

(C) a property owner, lessor, or sublessor on the property at which an overdose prevention center is located and operates;

(D) an entity operating the overdose prevention center; and

(E) a State or municipal employee acting within the course and scope of the employee's employment.

(2) Persons identified in subdivision (1) of this subsection shall not be:

(A) cited, arrested, charged, or prosecuted for unlawful possession of a regulated drug in violation of this chapter or for attempting, aiding or abetting, or conspiracy to commit a violation of any of provision of this chapter;

(B) subject to property seizure or forfeiture for unlawful possession of a regulated drug in violation of this chapter;

(C) subject to any civil liability or civil or administrative penalty, including disciplinary action by a professional licensing board, credentialing restriction, contractual liability, or medical staff or other employment action; or

(D) denied any right or privilege.

(3) The immunity provisions of subdivisions (2)(A) and (B) of this subsection apply only to the use and derivative use of evidence gained as a proximate result of participation in or with an overdose prevention center. Entering, exiting, or utilizing the services of an overdose prevention center shall not serve as the basis for, or a fact contributing to the existence of, reasonable suspicion or probable cause to conduct a search or seizure.

(4) The immunity provisions in subdivision (2)(C) of this subsection shall not apply to:

(A) an individual using the services of an overdose prevention center if the basis for the civil claim is that the person operated a motor vehicle in violation of 23 V.S.A. § 1201; or

(B) claims unrelated to the provision of overdose prevention services.

(d) An entity operating an overdose prevention center shall make publicly available the following information annually on or before January 15:

(1) the number of program participants;

(2) deidentified demographic information of program participants;

(3) the number of overdoses and the number of overdoses reversed on-site;

(4) the number of times emergency medical services were contacted and responded for assistance;

(5) the number of times law enforcement were contacted and responded for assistance; and

(6) the number of participants directly and formally referred to other services and the type of services.

(e) An overdose prevention center shall not be construed as a health care facility for purposes of chapter 221, subchapter 5 of this title.

Sec. 1a. 18 V.S.A. § 9435(g) is added to read:

(g) Excluded from this subchapter are overdose prevention centers established and operated in accordance with section 4256 of this title.

Sec. 2. PILOT PROGRAM; OVERDOSE PREVENTION CENTERS

(a) In fiscal year 2025, $1,100,000.00 is appropriated to the Department of Health from the Opioid Abatement Special Fund for the purpose of awarding grants to the City of Burlington for establishing an overdose prevention center

upon submission of a grant proposal that has been approved by the Burlington City Council and meets the requirements of 18 V.S.A. § 4256, including the guidelines developed by the Department of Health pursuant to that section.

(b) The Department of Health shall report on or before October 1, 2024, January 1, 2025, April 1, 2025, and July 1, 2025 to the Joint Fiscal Committee and the Joint Health Reform Oversight Committee regarding the status of distribution of the grants authorized in subsection (a) of this section.

(c) It is the intent of the General Assembly to continue to appropriate funds from the Opioid Abatement Special Fund through fiscal year 2028 for the purpose of awarding grants to the City of Burlington for the operation of the pilot program.

Sec. 3. STUDY; OVERDOSE PREVENTION CENTERS

(a) On or before December 1, 2024, the Department of Health shall contract with a researcher or independent consulting entity with expertise in the field of rural addiction or overdose prevention centers, or both, to study the impact of the overdose prevention center pilot program authorized in Sec. 2 of this act. The study shall evaluate the current impacts of the overdose crisis in Vermont, as well as any changes up to four years following the implementation of the overdose prevention center pilot program. The work of the researcher or independent consulting entity shall be governed by the following goals:

(1) the current state of the overdose crisis and deaths across the State of Vermont and the impact of the overdose prevention center pilot program on the overdose crisis and deaths across Vermont, with a focus on the community where the pilot program is established;

(2) the current crime rates in the community where the overdose prevention center pilot program will be established and the impact of the overdose prevention center pilot program on crime rates in the community where the overdose prevention center pilot program is established;

(3) the current rates of syringe litter in the community where the overdose prevention center pilot program will be established and the impact of the overdose prevention center pilot program on the rate of syringe litter where the overdose prevention center pilot program is established;

(4) the current number of emergency medical services response calls related to overdoses across Vermont, with a focus on the community where the pilot program will be established and the impact of the overdose prevention center pilot program on the number of emergency response calls related to overdoses;

(5) the current rate of syringe service program participant uptake of treatment and recovery services and the impact of the overdose prevention center pilot program on the rates of participant uptake of treatment and recovery services; and

(6) the impact of the overdose prevention center pilot program on the number of emergency response calls related to overdoses and other opioid-related medical needs across Vermont, with a focus on the community where the pilot program is established.

(b) The Department of Health shall collaborate with the researcher or independent consulting entity to provide the General Assembly with interim annual reports on or before January 15 of each year with a final report containing the results of the study and any recommendations on or before January 15, 2029.

Sec. 4. APPROPRIATION; STUDY; OVERDOSE PREVENTION CENTER

In fiscal year 2025, $300,000.00 is appropriated to the Department of Health from the Opioid Abatement Special Fund for the purpose of funding the study of the impact of overdose prevention center pilot programs authorized in Sec. 2 of this act.

* * * Syringe Service Programs * * *

Sec. 5. 18 V.S.A. § 4475(a)(2) is amended to read:

(2) "Organized community-based needle exchange program" means a program approved by the Commissioner of Health under section 4478 of this title, the purpose of which is to provide access to clean needles and syringes~~, and that is operated by an AIDS service organization, a substance abuse treatment provider, or a licensed health care provider or facility~~. Such programs shall be operated in a manner that is consistent with the provisions of 10 V.S.A. chapter 159 (waste management; hazardous waste), and any other applicable laws.

Sec. 6. 18 V.S.A. § 4478 is amended to read:

§ 4478. NEEDLE EXCHANGE PROGRAMS

The Department of Health, in ~~collaboration~~ consultation with ~~the statewide harm reduction coalition~~ community stakeholders, shall develop operating guidelines for needle exchange programs. If a program complies with such operating guidelines and with existing laws and rules, it shall be approved by the Commissioner of Health. ~~Such operating guidelines shall be established not later than September 30, 1999.~~ A needle exchange program may apply to be an overdose prevention center pursuant to section 4256 of this title.

* * * Technical Amendments * * *

Sec. 7. 18 V.S.A. § 4254 is redesignated to read:

§ 4254. REPORTING A DRUG OVERDOSE; IMMUNITY FROM LIABILITY

Sec. 8. REDESIGNATION

18 V.S.A. §§ 4240 and 4240a are redesignated as 18 V.S.A. §§ 4257 and 4258.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on passage.

Which proposal of amendment was considered and concurred in.

Senate Proposal of Amendment Concurred in with Further Proposal of Amendment Thereto

H. 655

The Senate proposed to the House to amend House bill, entitled

An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records

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

Sec. 1. SEALING CRIMINAL HISTORY RECORDS; JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE

(a) The Joint Legislative Justice Oversight Committee shall examine the laws of other states regarding the sealing of criminal history records, including:

(1) the length of time that must toll before a record is eligible for sealing; and

(2) the individuals and entities that have access to sealed records, the purpose of such access, and the length of time such individuals and entities have access to the sealed records.

(b) On or before November 15, 2024, based upon the review of other states' procedures for sealed criminal history records, the Committee shall recommend to the General Assembly a proposal for the issues identified in subdivisions (a)(1) and (2) of this section.

Sec. 2. PETITIONLESS SEALING

On or before December 2, 2024, the Chief Superior Judge, in consultation with the Attorney General, the Department of State's Attorneys and Sheriffs, the Office of the Defender General, and the Department of Corrections, shall examine the laws and procedures of other states regarding petitionless sealing of criminal history records and shall submit to the House and Senate Committees on Judiciary a recommendation to establish a mechanism for petitionless sealing and any resources required for the recommendation to be implemented.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

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

An act relating to studies of policies and procedures regarding the sealing criminal history records

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Reps. Dolan of Essex Junction and LaLonde of South Burlington** moved that the House concur with the Senate proposal of amendment with further proposal of amendment 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"

Which was agreed to.

Senate Proposal of Amendment to House Proposal of Amendment Concurred in

S. 25

The Senate concurred in House proposal of amendment with further proposal of amendment on Senate bill, entitled

An act relating to regulating cosmetic and menstrual products containing certain chemicals and chemical classes and textiles and athletic turf fields containing perfluoroalkyl and polyfluoroalkyl substances

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

* * * Chemicals in Cosmetic and Menstrual Products * * *

Sec. 1. 9 V.S.A. chapter 63, subchapter 12 is added to read:

Subchapter 12. Chemicals in Cosmetic and Menstrual Products

§ 2494a. DEFINITIONS

As used in this subchapter:

(1) "Bisphenols" means any member of a class of industrial chemicals that contain two hydroxyphenyl groups. Bisphenols are used primarily in the manufacture of polycarbonate plastic and epoxy resins.

(2) "Cosmetic product" means articles or a component of articles intended to be rubbed, poured, sprinkled, or sprayed on; introduced into; or otherwise applied to the human body or any part thereof for cleansing, promoting attractiveness, or improving or altering appearance, including those intended for use by professionals. "Cosmetic product" does not mean soap, dietary supplements, or food and drugs approved by the U.S. Food and Drug Administration.

(3) "Formaldehyde-releasing agent" means a chemical that releases formaldehyde.

(4) "Intentionally added" means the addition of a chemical in a product that serves an intended function in the product component.

(5) "Manufacturer" means any person engaged in the business of making or assembling a consumer product directly or indirectly available to consumers. "Manufacturer" excludes a distributor or retailer, except when a consumer product is made or assembled outside the United States, in which case a "manufacturer" includes the importer or first domestic distributor of the consumer product.

(6) "Menstrual product" means a product used to collect menstruation and vaginal discharge, including tampons, pads, sponges, menstruation underwear, disks, applicators, and menstrual cups, whether disposable or reusable.

(7) "Ortho-phthalates" means any member of the class of organic chemicals that are esters of phthalic acid containing two carbon chains located in the ortho position.

(8) "Perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

(9) "Professional" means a person granted a license pursuant to 26 V.S.A. chapter 6 to practice in the field of barbering, cosmetology, manicuring, or esthetics.

§ 2494b. PROHIBITED CHEMICALS IN COSMETIC AND MENSTRUAL PRODUCTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State any cosmetic or menstrual product to which the following chemicals or chemical classes have been intentionally added in any amount:

(1) ortho-phthalates;

(2) PFAS;

(3) formaldehyde (CAS 50-00-0);

(4) methylene glycol (CAS 463-57-0);

(5) mercury and mercury compounds (CAS 7439-97-6);

(6) 1, 4-dioxane (CAS 123-91-1);

(7) isopropylparaben (CAS 4191-73-5);

(8) isobutylparaben (CAS 4247-02-3);

(9) lead and lead compounds (CAS 7439-92-1);

(10) asbestos;

(11) triclosan (CAS 3380-34-5);

(12) m-phenylenediamine and its salts (CAS 108-42-5);

(13) o-phenylenediamine and its salts (CAS 95-54-5); and

(14) quaternium-15 (CAS 51229-78-8).

(b) A cosmetic or menstrual product made through manufacturing processes intended to comply with this subchapter and containing a technically unavoidable trace quantity of a chemical or chemical class listed in subsection (a) of this section shall not be in violation of this subchapter on account of the trace quantity where it is caused by impurities of:

(1) natural or synthetic ingredients;

(2) the manufacturing process;

(3) storage; or

(4) migration from packaging.

(c) A manufacturer shall not knowingly manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State any cosmetic or menstrual product that contains 1,4, dioxane at or exceeding 10 parts per million.

(d)(1) Pursuant to 3 V.S.A. chapter 25, the Department of Health may adopt rules prohibiting a manufacturer from selling, offering for sale, distributing for sale, or distributing for use a cosmetic or menstrual product to which formaldehyde releasing agents have been intentionally added and are present in any amount.

(2) The Department may only prohibit a manufacturer from selling, offering for sale, distributing for sale, or distributing for use a cosmetic or menstrual product in accordance with this subsection if the Department or at least one other state has determined that a safer alternative is readily available in sufficient quantity and at comparable cost and that the safer alternative performs as well as or better than formaldehyde releasing agents in a specific application of formaldehyde releasing agents to a cosmetic or menstrual product.

(3) Any rule adopted by the Department pursuant to this subsection may restrict formaldehyde releasing agents as individual chemicals or as a class of chemicals.

§ 2494c. VIOLATIONS

(a) A violation of this subchapter is deemed to be a violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions, and private parties have the same rights and remedies, as provided under subchapter 1 of this chapter.

Sec. 2. 9 V.S.A. § 2494b is amended to read:

§ 2494b. PROHIBITED CHEMICALS IN COSMETIC AND MENSTRUAL PRODUCTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State any cosmetic or menstrual product to which the following chemicals or chemical classes have been intentionally added in any amount:

* * *

(13) o-phenylenediamine and its salts (CAS 95-54-5); ~~and~~

(14) quaternium-15 (CAS 51229-78-8);

(15) styrene (CAS 100-42-5);

(16) octamethylcyclotetrasiloxane (CAS 556-67-2); and

(17) toluene (CAS 108-88-3).

* * *

* * * PFAS in Consumer Products * * *

Sec. 3. 9 V.S.A. chapter 63, subchapter 12a is added to read:

Subchapter 12a. PFAS in Consumer Products

§ 2494e. DEFINITIONS

As used in this subchapter:

(1) "Adult mattress" means a mattress other than a crib or toddler mattress.

(2) "Aftermarket stain and water resistant treatments" means treatments for textile and leather consumer products used in residential settings that have been treated during the manufacturing process for stain, oil, and water resistance, but excludes products marketed or sold exclusively for use at industrial facilities during the manufacture of a carpet, rug, clothing, or shoe.

(3) "Apparel" means any of the following:

(A) Clothing items intended for regular wear or formal occasions, including undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, costumes, vests, dancewear, suits, saris, scarves, tops, leggings, school uniforms, leisurewear, athletic wear, sports uniforms, everyday swimwear, formal wear, onesies, bibs, reusable diapers, footwear, and everyday uniforms for workwear. Clothing items intended for regular wear or formal occasions do not include clothing items for exclusive use by the U.S. Armed Forces, outdoor apparel for severe wet conditions, and personal protective equipment.

(B) Outdoor apparel.

(4) "Artificial turf" means a surface of synthetic fibers that is used in place of natural grass in recreational, residential, or commercial applications.

(5) "Cookware" means durable houseware items used to prepare, dispense, or store food, foodstuffs, or beverages and that are intended for direct food contact, including pots, pans, skillets, grills, baking sheets, baking molds, trays, bowls, and cooking utensils.

(6) "Incontinency protection product" means a disposable, absorbent hygiene product designed to absorb bodily waste for use by individuals 12 years of age and older.

(7) "Intentionally added" means the addition of a chemical in a product that serves an intended function in the product component.

(8) "Juvenile product" means a product designed or marketed for use by infants and children under 12 years of age:

(A) including a baby or toddler foam pillow; bassinet; bedside sleeper; booster seat; changing pad; infant bouncer; infant carrier; infant seat; infant sleep positioner; infant swing; infant travel bed; infant walker; nap cot; nursing pad; nursing pillow; play mat; playpen; play yard; polyurethane foam mat, pad, or pillow; portable foam nap mat; portable infant sleeper; portable hook-in chair; soft-sided portable crib; stroller; toddler mattress; and disposable, single-use diaper; and

(B) excluding a children's electronic product, such as a personal computer, audio and video equipment, calculator, wireless phone, game console, handheld device incorporating a video screen, or any associated peripheral such as a mouse, keyboard, power supply unit, or power cord; a medical device; or an adult mattress.

(9) "Manufacturer" means any person engaged in the business of making or assembling a consumer product directly or indirectly available to consumers. "Manufacturer" excludes a distributor or retailer, except when a consumer product is made or assembled outside the United States, in which case a "manufacturer" includes the importer or first domestic distributor of the consumer product.

(10) "Medical device" has the same meaning given to "device" in 21 U.S.C. § 321.

(11) "Outdoor apparel" means clothing items intended primarily for outdoor activities, including hiking, camping, skiing, climbing, bicycling, and fishing.

(12) "Outdoor apparel for severe wet conditions" means outdoor apparel that are extreme and extended use products designed for outdoor sports experts for applications that provide protection against extended exposure to extreme rain conditions or against extended immersion in water or wet conditions, such as from snow, in order to protect the health and safety of the user and that are not marketed for general consumer use. Examples of extreme and extended use products include outerwear for offshore fishing, offshore sailing, whitewater kayaking, and mountaineering.

(13) "Perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

(14) "Personal protective equipment" has the same meaning as in section 2494p of this title.

(15) "Regulated perfluoroalkyl and polyfluoroalkyl substances" or "regulated PFAS" means:

(A) PFAS that a manufacturer has intentionally added to a product and that have a functional or technical effect in the product, including PFAS components of intentionally added chemicals and PFAS that are intentional breakdown products of an added chemical that also have a functional or technical effect in the product; or

(B) the presence of PFAS in a product or product component at or above 100 parts per million, as measured in total organic fluorine.

(16) "Rug or carpet" means a fabric marketed or intended for use as a floor covering.

(17) "Ski wax" means a lubricant applied to the bottom of snow runners, including skis and snowboards, to improve their grip and glide properties.

(18) "Textile" means any item made in whole or part from a natural, manmade, or synthetic fiber, yarn, or fabric, and includes leather, cotton, silk, jute, hemp, wool, viscose, nylon, or polyester. "Textile" does not include single-use paper hygiene products, including toilet paper, paper towels, tissues, or single-use absorbent hygiene products.

(19) "Textile articles" means textile goods of a type customarily and ordinarily used in households and businesses, and includes apparel, accessories, handbags, backpacks, draperies, shower curtains, furnishings, upholstery, bedding, towels, napkins, and table cloths. "Textile articles" does not include:

(A) a vehicle, as defined in 1 U.S.C. § 4, or its component parts;

(B) a vessel, as defined in 1 U.S.C. § 3, or its component parts;

(C) an aircraft, as defined in 49 U.S.C. § 40102(a)(6), or its component parts;

(D) filtration media and filter products used in industrial applications, including chemical or pharmaceutical manufacturing and environmental control technologies;

(E) textile articles used for laboratory analysis and testing; and

(F) rugs or carpets.

§ 2494f. AFTERMARKET STAIN AND WATER-RESISTANT TREATMENTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State aftermarket stain and water-resistant treatments for rugs or carpets to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494g. ARTIFICIAL TURF

A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State artificial turf to which:

(1) PFAS have been intentionally added in any amount; or

(2) PFAS have entered the product from the manufacturing or processing of that product, the addition of which is known or reasonably ascertainable by the manufacturer.

§ 2494h. COOKWARE

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State cookware to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494i. INCONTINENCY PROTECTION PRODUCT

A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State an incontinency protection product to which PFAS have been intentionally added in any amount.

§ 2494j. JUVENILE PRODUCTS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State juvenile products to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494k. RUGS AND CARPETS

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a residential rug or carpet to which PFAS have been added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494l. SKI WAX

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State ski wax or related tuning products to which PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494m. TEXTILES

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a textile or textile article to which regulated PFAS have been intentionally added in any amount.

(b) This section shall not apply to the sale or resale of used products.

§ 2494n. CERTIFICATE OF COMPLIANCE

(a) The Attorney General may request a certificate of compliance from a manufacturer of a consumer product regulated under this subchapter. Within 60 days after receipt of the Attorney General's request for a certificate of compliance, the manufacturer shall:

(1) provide the Attorney General with a certificate attesting that the manufacturer's product or products comply with the requirements of this subchapter; or

(2) notify persons who are selling a product of the manufacturer's in this State that the sale is prohibited because the product does not comply with this subchapter and submit to the Attorney General a list of the names and addresses of those persons notified.

(b) A manufacturer required to submit a certificate of compliance pursuant to this section may rely upon a certificate of compliance provided to the manufacturer by a supplier for the purpose of determining the manufacturer's reporting obligations. A certificate of compliance provided by a supplier in accordance with this subsection shall be used solely for the purpose of determining a manufacturer's compliance with this section.

§ 2494o. VIOLATIONS

(a) A violation of this subchapter is deemed to be a violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions, and private parties have the same rights and remedies, as provided under subchapter 1 of this chapter.

* * * Amendments to PFAS in Textiles * * *

Sec. 4. 9 V.S.A. § 2494e(3) is amended to read:

(3) "Apparel" means any of the following:

(A) Clothing items intended for regular wear or formal occasions, including undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, costumes, vests, dancewear, suits, saris, scarves, tops, leggings, school uniforms, leisurewear, athletic wear, sports uniforms, everyday swimwear, formal wear, onesies, bibs, reusable diapers, footwear, and everyday uniforms for workwear. Clothing items intended for regular wear or formal occasions do not include clothing items for exclusive use by the U.S. Armed Forces~~, outdoor apparel for severe wet conditions,~~ and personal protective equipment.

(B) Outdoor apparel.

(C) Outdoor apparel for severe wet conditions.

Sec. 5. 9 V.S.A. § 2494e(15) is amended to read:

(15) "Regulated perfluoroalkyl and polyfluoroalkyl substances" or "regulated PFAS" means:

(A) PFAS that a manufacturer has intentionally added to a product and that have a functional or technical effect in the product, including PFAS components of intentionally added chemicals and PFAS that are intentional breakdown products of an added chemical that also have a functional or technical effect in the product; or

(B) the presence of PFAS in a product or product component at or above ~~100~~ 50 parts per million, as measured in total organic fluorine.

* * * PFAS in Firefighting Agents and Equipment * * *

Sec. 6. 9 V.S.A. chapter 63, subchapter 12b is added to read:

Subchapter 12b. PFAS in Firefighting Agents and Equipment

§ 2494p. DEFINITIONS

As used in this subchapter:

(1) "Class B firefighting foam" means chemical foams designed for flammable liquid fires.

(2) "Intentionally added" means the addition of a chemical in a product that serves an intended function in the product component.

(3) "Manufacturer" means any person engaged in the business of making or assembling a consumer product directly or indirectly available to consumers. "Manufacturer" excludes a distributor or retailer, except when a

consumer product is made or assembled outside the United States, in which case a "manufacturer" includes the importer or first domestic distributor of the consumer product.

(4) "Municipality" means any city, town, incorporated village, town fire district, or other political subdivision that provides firefighting services pursuant to general law or municipal charter.

(5) "Perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

(6) "Personal protective equipment" means clothing designed, intended, or marketed to be worn by firefighting personnel in the performance of their duties, designed with the intent for use in fire and rescue activities, and includes jackets, pants, shoes, gloves, helmets, and respiratory equipment.

(7) "Terminal" means an establishment primarily engaged in the wholesale distribution of crude petroleum and petroleum products, including liquefied petroleum gas from bulk liquid storage facilities.

§ 2494q. PROHIBITION OF CERTAIN CLASS B FIREFIGHTING FOAM

A person, municipality, or State agency shall not discharge or otherwise use for training or testing purposes class B firefighting foam that contains intentionally added PFAS.

§ 2494r. RESTRICTION ON MANUFACTURE, SALE, AND DISTRIBUTION; EXCEPTIONS

(a) A manufacturer of class B firefighting foam shall not manufacture, sell, offer for sale, or distribute for sale or use in this State class B firefighting foam to which PFAS have been intentionally added.

(b) A person operating a terminal who seeks to purchase class B firefighting foam containing intentionally added PFAS for the purpose of fighting emergency class B fires may apply to the Department of Environmental Conservation for a temporary exemption from the restrictions on the manufacture, sale, offer for sale, or distribution of class B firefighting foam for use at a terminal. An exemption shall not exceed one year. The Department of Environmental Conservation, in consultation with the Department of Health, may grant an exemption under this subsection if the applicant provides:

(1) clear and convincing evidence that there is not a commercially available alternative that:

(A) does not contain intentionally added PFAS; and

(B) is capable of suppressing a large atmospheric tank fire or emergency class B fire at the terminal;

(2) information on the amount of class B firefighting foam containing intentionally added PFAS that is annually stored, used, or released at the terminal;

(3) a report on the progress being made by the applicant to transition at the terminal to class B firefighting foam that does not contain intentionally added PFAS; and

(4) an explanation of how:

(A) all releases of class B firefighting foam containing intentionally added PFAS shall be fully contained at the terminal; and

(B) existing containment measures prevent firewater, wastewater, runoff, and other wastes from being released into the environment, including into soil, groundwater, waterways, and stormwater.

(c) Nothing in this section shall prohibit a terminal from providing class B firefighting foam in the form of aid to another terminal in the event of a class B fire.

§ 2494s. SALE OF PERSONAL PROTECTIVE EQUIPMENT CONTAINING PFAS

(a) A manufacturer or other person that sells firefighting equipment to any person, municipality, or State agency shall provide written notice to the purchaser at the time of sale, citing to this subchapter, if the personal protective equipment contains PFAS. The written notice shall include a statement that the personal protective equipment contains PFAS and the reason PFAS are added to the equipment.

(b) The manufacturer or person selling personal protective equipment and the purchaser of the personal protective equipment shall retain the notice for at least three years from the date of the transaction.

§ 2494t. NOTIFICATION; RECALL OF PROHIBITED PRODUCTS

(a) A manufacturer of class B firefighting foam containing intentionally added PFAS shall provide written notice to persons that sell the manufacturer's products in this State about the restrictions imposed by this subchapter not less than one year prior to the effective date of the restrictions.

(b) Unless a class B firefighting foam containing intentionally added PFAS is intended for use at a terminal and the person operating a terminal holds a temporary exemption pursuant to subsection 2494r(b) of this title, a manufacturer that produces, sells, or distributes a class B firefighting foam containing intentionally added PFAS shall:

(1) recall the product and reimburse the retailer or any other purchaser for the product; and

(2) issue either a press release or notice on the manufacturer's website describing the product recall and reimbursement requirement established in this subsection.

§ 2494u. CERTIFICATE OF COMPLIANCE

(a) The Attorney General may request a certificate of compliance from a manufacturer of class B firefighting foam or firefighting personal protective equipment. Within 60 days after receipt of the Attorney General's request for a certificate of compliance, the manufacturer shall:

(1) provide the Attorney General with a certificate attesting that the manufacturer's product or products comply with the requirements of this subchapter; or

(2) notify persons who are selling a product of the manufacturer's in this State that the sale is prohibited because the product does not comply with this subchapter and submit to the Attorney General a list of the names and addresses of those persons notified.

(b) A manufacturer required to submit a certificate of compliance pursuant to this section may rely upon a certificate of compliance provided to the manufacturer by a supplier for the purpose of determining the manufacturer's reporting obligations. A certificate of compliance provided by a supplier in accordance with this subsection shall be used solely for the purpose of determining a manufacturer's compliance with this section.

§ 2494v. VIOLATIONS

(a) A violation of this subchapter is deemed to be a violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions, and private parties have the same rights and remedies, as provided under subchapter 1 of this chapter.

* * * Chemicals of Concern in Food Packaging * * *

Sec. 7. 9 V.S.A. chapter 63, subchapter 12c is added to read:

Subchapter 12c. Chemicals of Concern in Food Packaging

§ 2494w. DEFINITIONS

As used in this subchapter:

(1) "Bisphenols" means any member of a class of industrial chemicals that contain two hydroxyphenyl groups. Bisphenols are used primarily in the manufacture of polycarbonate plastic and epoxy resins.

(2) "Department" means the Department of Health.

(3) "Food package" or "food packaging" means a package or packaging component that is intended for direct food contact.

(4) "Intentionally added" means the addition of a chemical in a product that serves an intended function in the product component.

(5) "Ortho-phthalates" means any member of the class of organic chemicals that are esters of phthalic acid containing two carbon chains located in the ortho position.

(6) "Package" means a container providing a means of marketing, protecting, or handling a product and shall include a unit package, an intermediate package, and a shipping container. "Package" also means unsealed receptacles, such as carrying cases, crates, cups, pails, rigid foil and other trays, wrappers and wrapping films, bags, and tubs.

(7) "Packaging component" means an individual assembled part of a package, such as any interior or exterior blocking, bracing, cushioning, weatherproofing, exterior strapping, coatings, closures, inks, and labels, and disposable gloves used in commercial or institutional food service.

(8) "Perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

§ 2494x. FOOD PACKAGING

(a) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a food package to which PFAS have been intentionally added and are present in any amount.

(b)(1) Pursuant to 3 V.S.A. chapter 25, the Department may adopt rules prohibiting a manufacturer, supplier, or distributor from selling or offering for sale or for promotional distribution a food package or the packaging component of a food package to which bisphenols have been intentionally

added and are present in any amount. The Department may exempt specific chemicals within the bisphenol class when clear and convincing evidence suggests they are not endocrine-active or otherwise toxic.

(2) The Department may only prohibit a manufacturer, supplier, or distributor from selling or offering for sale or for promotional distribution a food package or the packaging component of a food package in accordance with this subsection if the Department or at least one other state has determined that a safer alternative is readily available in sufficient quantity and at a comparable cost and that the safer alternative performs as well as or better than bisphenols in a specific application of bisphenols to a food package or the packaging component of a food package.

(3) If the Department prohibits a manufacturer, supplier, or distributor from selling or offering for sale or for promotional distribution a food package or the packaging component of a food package in accordance with this subsection, the prohibition shall not take effect until two years after the Department adopts the rules.

(c) A manufacturer shall not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this State a food package that includes inks, dyes, pigments, adhesives, stabilizers, coatings, plasticizers, or any other additives to which ortho-phthalates have been intentionally added and are present in any amount.

(d) This section shall not apply to the sale or resale of used products.

§ 2494y. CERTIFICATE OF COMPLIANCE

(a) The Attorney General may request a certificate of compliance from a manufacturer of food packaging. Within 60 days after receipt of the Attorney General's request for a certificate of compliance, the manufacturer shall:

(1) provide the Attorney General with a certificate attesting that the manufacturer's product or products comply with the requirements of this subchapter; or

(2) notify persons who are selling a product of the manufacturer's in this State that the sale is prohibited because the product does not comply with this subchapter and submit to the Attorney General a list of the names and addresses of those persons notified.

(b) A manufacturer required to submit a certificate of compliance pursuant to this section may rely upon a certificate of compliance provided to the manufacturer by a supplier for the purpose of determining the manufacturer's reporting obligations. A certificate of compliance provided by a supplier in accordance with this subsection shall be used solely for the purpose of

determining a manufacturer's compliance with this section.

§ 2494z. VIOLATIONS

(a) A violation of this subchapter is deemed to be a violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions, and private parties have the same rights and remedies, as provided under subchapter 1 of this chapter.

* * * Engagement and Implementation Plans * * *

Sec. 8. COMMUNITY ENGAGEMENT PLAN

(a) On or before July 1, 2025, the Department of Health shall develop and submit a community engagement plan to the Senate Committee on Health and Welfare and to the House Committee on Human Services related to the enactment of 9 V.S.A. chapter 63, subchapter 12. The community engagement plan shall:

(1) provide education to the general public on chemicals of concern in cosmetic and menstrual products and specifically address the unique impact these products have on marginalized communities by providing the use of language access services, participant compensation, and other resources that support equitable access to participation; and

(2) outline the methodology and costs to conduct outreach for the purposes of:

(A) identifying cosmetic products of concern, including those marketed to or utilized by marginalized communities in Vermont;

(B) conducting research on the prevalence of potentially harmful ingredients within cosmetic products, including those marketed to or utilized by marginalized communities in Vermont;

(C) proposing a process for regulating chemicals or products containing potentially harmful ingredients, including those marketed to or utilized by marginalized communities in Vermont; and

(D) creating culturally appropriate public health awareness campaigns concerning harmful ingredients used in cosmetic products.

(b) As used in the section, "marginalized communities" means individuals with shared characteristics who experience or have historically experienced discrimination based on race, ethnicity, color, national origin, English

language proficiency, disability, gender identity, gender expression, or sexual orientation.

Sec. 9. IMPLEMENTATION PLAN; CONSUMER PRODUCTS CONTAINING PFAS

(a) The Agency of Natural Resources, in consultation with the Agency of Agriculture, Food and Markets; the Department of Health; and the Office of the Attorney General, shall propose a program requiring the State to identify and restrict the sale and distribution of consumer products containing perfluoroalkyl and polyfluoroalkyl substances (PFAS) that could impact public health and the environment. The proposed program shall:

(1) identify categories of consumer products that could have an impact on public health and environmental contamination;

(2) propose a process by which manufacturers determine whether a consumer product contains PFAS and how that information is communicated to the State;

(3) address how information about the presence or lack of PFAS in a consumer product is conveyed to the public;

(4) describe which agency or department is responsible for administration of the proposed program, including what additional staff, information technology changes, and other resources, if any, are necessary to implement the program;

(5) determine whether and how other states have structured and implemented similar programs and identify the best practices used in these efforts;

(6) propose definitions of "intentionally added," "consumer product," and "perfluoroalkyl and polyfluoroalkyl substances";

(7) propose a related public service announcement program and website content to inform the public and health care providers about the potential public health impacts of exposure to PFAS and actions that can be taken to reduce risk;

(8) provide recommendations for the regulation of PFAS within consumer products that use recycled materials, including food packaging, cosmetic product packaging, and textiles; and

(9) determine whether "personal protective equipment" regulated by the U.S. Occupational Safety and Health Administration under the Occupational Safety and Health Act, the U.S. Food and Drug Administration, or the U.S. Centers for Disease Control and Prevention, or a product that is regulated as a

drug, medical device, or dietary supplement by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act or the Dietary Supplement Health and Education Act, is appropriately regulated under 9 V.S.A. chapter 63, subchapters 12–12c.

(b) The Agency of Natural Resources shall obtain input on its recommendation from interested parties, including those that represent environmental, agricultural, and industry interests.

(c) On or before November 1, 2024, the Agency of Natural Resources shall submit an implementation plan developed pursuant to this section and corresponding draft legislation to the House Committees on Environment and Energy and on Human Services and the Senate Committees on Health and Welfare and on Natural Resources and Energy.

(d) For the purposes of this section, "consumer products" includes restricted and nonrestricted use pesticides.

* * * Repeal * * *

Sec. 10. REPEAL; PFAS IN VARIOUS CONSUMER PRODUCTS

18 V.S.A. chapter 33 (PFAS in firefighting agents and equipment), 18 V.S.A. chapter 33A (chemicals of concern in food packaging), 18 V.S.A. chapter 33B (PFAS in rugs, carpets, and aftermarket stain and water resistant treatments), and 18 V.S.A. chapter 33C (PFAS in ski wax) are repealed on January 1, 2026.

* * * Compliance Notification * * *

Sec. 11. COMPLIANCE NOTIFICATION

If, upon a showing by a manufacturer, the Office of the Attorney General determines that it is not feasible to produce a particular consumer product as required by this act on the effective date listed in Sec. 13 (effective dates), the Attorney General may postpone the compliance date for that product for up to one year. If the Attorney General postpones a compliance date pursuant to this section, the Office of the Attorney General shall post notification of the postponement on its website.

* * * Lead in Cosmetic Products * * *

Sec. 12. LEAD IN COSMETIC PRODUCTS

On or before March 1, 2025, the Department of Health shall observe and evaluate Washington's experience of implementing a one part per million limit on the presence of lead in cosmetic products and present the Department's findings to the House Committee on Human Services and to the Senate Committee on Health and Welfare.

* * * Effective Dates * * *

Sec. 13. EFFECTIVE DATES

This act shall take effect on July 1, 2024, except that:

(1) Sec. 1 (chemicals in cosmetic and menstrual products), Sec. 3 (PFAS in consumer products), Sec. 6 (PFAS in firefighting agents and equipment), and Sec. 7 (chemicals of concern in food packaging) shall take effect on January 1, 2026;

(2) Sec. 2 (9 V.S.A. § 2494b) and Sec. 5 (9 V.S.A. § 2494e(15)) shall take effect on July 1, 2027; and

(3) Sec. 4 (9 V.S.A. § 2494e(3)) shall take effect on July 1, 2028.

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

An act relating to regulating consumer products containing perfluoroalkyl and polyfluoroalkyl substances or other chemicals

Which proposal of amendment was considered and concurred in.

Third Reading;
Bill Passed in Concurrence with Proposal of Amendment

S. 102

Senate bill, entitled

An act relating to expanding employment protections and collective bargaining rights

Was taken up and read the third time.

Pending the question, Shall the bill pass in concurrence with proposal of amendment?, **Rep. Cina of Burlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the bill pass in concurrence with proposal of amendment?, was decided in the affirmative. Yeas, 115. Nays, 26.

Those who voted in the affirmative are:

Andrews of Westford	Dodge of Essex *	Morris of Springfield
Andriano of Orwell	Dolan of Essex Junction	Morrissey of Bennington
Anthony of Barre City	Dolan of Waitsfield	Mrowicki of Putney
Arrison of Weathersfield	Durfee of Shaftsbury	Nicoll of Ludlow
Arsenault of Williston	Emmons of Springfield	Notte of Rutland City
Austin of Colchester	Farlice-Rubio of Barnet	Noyes of Wolcott
Bartholomew of Hartland	Galfetti of Barre Town	Nugent of South Burlington
Bartley of Fairfax *	Garofano of Essex	O'Brien of Tunbridge
Beck of St. Johnsbury	Goldman of Rockingham	Ode of Burlington
Berbeco of Winooski	Graning of Jericho	Oliver of Sheldon

Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Branagan of Georgia *
Brown of Richmond
Brownell of Pownal
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chapin of East Montpelier
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Cina of Burlington
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Cordes of Lincoln
Demrow of Corinth
Headrick of Burlington
Holcombe of Norwich
Hooper of Burlington
Houghton of Essex Junction
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
Labor of Morgan
LaBounty of Lyndon
LaLonde of South Burlington
LaMont of Morristown
Lanpher of Vergennes
Leavitt of Grand Isle
Lipsky of Stowe
Logan of Burlington *
Long of Newfane
Masland of Thetford
Mattos of Milton
McCann of Montpelier
McCarthy of St. Albans City
McFaun of Barre Town
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Pajala of Londonderry
Patt of Worcester
Pouech of Hinesburg
Priestley of Bradford
Quimby of Lyndon
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax
Sammis of Castleton
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury
Sibilia of Dover
Sims of Craftsbury
Squirrell of Underhill
Stebbins of Burlington
Stevens of Waterbury *
Stone of Burlington
Taylor of Milton
Templeman of Brownington
Toleno of Brattleboro
Toof of St. Albans Town
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City
Wood of Waterbury

Those who voted in the negative are:

Brennan of Colchester
Brumsted of Shelburne
Burditt of West Rutland
Canfield of Fair Haven
Clifford of Rutland City
Demar of Enosburgh
Dickinson of St. Albans Town
Donahue of Northfield *
Goslant of Northfield
Gregoire of Fairfield
Hango of Berkshire
Harrison of Chittenden *
Higley of Lowell
Lalley of Shelburne
Laroche of Franklin
Maguire of Rutland City
McCoy of Poultney
Morgan of Milton
Page of Newport City
Parsons of Newbury
Peterson of Clarendon
Shaw of Pittsford
Smith of Derby
Taylor of Colchester
Walker of Swanton
Williams of Granby

Those members absent with leave of the House and not voting are:

Duke of Burlington
Elder of Starksboro
Graham of Williamstown
Hooper of Randolph
Marcotte of Coventry
Pearl of Danville
Small of Winooski
Surprenant of Barnard

Rep. Bartley of Fairfax explained her vote as follows:

"Madam Speaker:

Today I vote in support for our agricultural laborers and our farms. This body needs an understanding of how we can provide and establish fair labor laws for all Vermonters so that all can experience prosperity."

Rep. Branagan of Georgia explained her vote as follows:

"Madam Speaker:

I vote yes on S.102 in order to move along the section in the bill which allows a study of unionized agriculture workers."

Rep. Dodge of Essex explained her vote as follows:

"Madam Speaker:

I rise in support of the labor protections in this bill and beseech our Legislature to extend these same protections to the thousands of agricultural workers in Vermont. Our State owes its identity to the family farms dotting our landscape. For hundreds of years, the backbone of that landscape has been the labor of indigenous Vermonters, immigrants from Europe and Quebec, and most recently, immigrants from Latin America. Our dairy sector, in particular, depends on immigrants who work 365 days a year, through night shifts, and under dangerous conditions. While many farms practice fair labor practices, there are still countless cases of exploitation, sexual harassment, and racism. Like the broken federal immigration system, the federal prohibition barring agricultural workers to organize exacerbates this dynamic. Our State must keep stepping up to empower agricultural workers, just as S.102 has done for other workers."

Rep. Donahue of Northfield explained her vote as follows:

"Madam Speaker:

Intimidation for joining or not joining a union should never be permitted. Denying workers the right to a secret ballot, as this bill does, creates that risk. I vote no."

Rep. Logan of Burlington explained her vote as follows:

"Madam Speaker:

I vote yes on S.102 to correct a long-standing stain of discrimination within our labor law, to put us on a path to resolve another, and to make collective bargaining more accessible to Vermonters who currently fear retaliation."

Rep. Harrison of Chittenden explained his vote as follows:

"Madam Speaker:

The addition of the card check provision for unionization takes away the right of employees for free and fair elections without outside influence."

Rep. Stevens of Waterbury explained his vote as follows:

"Madam Speaker:

This bill does not deny anyone the right to a private election – it gives them the right to choose a card check."

Third Reading;
Bills Passed in Concurrence with Proposal of Amendment

Senate bills of the following titles were severally taken up, read the third time, and passed in concurrence with proposal of amendment:

S. 192

Senate bill, entitled

An act relating to forensic facility admissions criteria and processes

S. 204

Senate bill, entitled

An act relating to supporting Vermont's young readers through evidence-based literacy instruction

Recess

At three o'clock and nine minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

Called to Order

At three o'clock and twenty-one minutes in the afternoon, the Speaker called the House to order.

Third Reading;
Bill Passed in Concurrence with Proposal of Amendment

S. 254

Senate bill, entitled

An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program

Was taken up, read the third time, and passed in concurrence with proposal of amendment.

Favorable Reports; Second Reading; Third Reading Ordered

S. 159

Rep. Nugent of South Burlington, for the Committee on Government Operations and Military Affairs, to which had been referred Senate bill, entitled

An act relating to the County and Regional Governance Study Committee

Reported in favor of its passage in concurrence.

Rep. Holcombe of Norwich, for the Committee on Appropriations, reported in favor of its passage in concurrence.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and third reading was ordered.

Amendment to Proposal of Amendment Offered; Question Divided; Third Reading; Bill Passed in Concurrence with Proposal of Amendment

S. 220

Senate bill, entitled

An act relating to Vermont's public libraries

Was taken up and, pending third reading of the bill, **Rep. Peterson of Clarendon** moved to amend the House proposal of amendment as follows:

First: In Sec. 3, 22 V.S.A. § 172, in subdivision (b)(4), by striking out "12" and inserting in lieu thereof "14"

Second: In Sec. 7a, 16 V.S.A. § 1624, in subsection (a), following "religion and political beliefs." by inserting "The policy shall exclude all materials defined as obscene pursuant to 13 V.S.A. § 2804b."

Thereupon, **Rep. Cina of Burlington** asked that the question be divided by its two instances of amendment, and the Speaker ruled the question was divisible in that manner.

Thereafter, the question, Shall the proposal of amendment be amended as offered by Rep. Peterson of Clarendon in the first instance of amendment?, was disagreed to.

Thereafter, the question, Shall the proposal of amendment be amended as offered by Rep. Peterson of Clarendon in the second instance of amendment?, was disagreed to.

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

Message from the Senate No. 62

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

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. 745. An act relating to the Vermont Parentage Act.

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.

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

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

S. 58. An act relating to public safety.

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

And has concurred therein with further proposals of amendment in the adoption of which the concurrence of the House is requested.

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

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

And has concurred therein.

Message from the Governor

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

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 7th day of May 2024, he 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

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 305

Rep. Patt of Worcester, for the Committee on Environment and Energy, to which had been referred Senate bill, entitled

An act relating to miscellaneous changes related to the Public Utility Commission

Reported in favor of its passage in concurrence with proposal of amendment 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

* * *

(d) The Commissioner shall disclose a return or return information:

* * *

(7) to the Joint Fiscal Office pursuant to subsection 10503(e) of this title and subject to the conditions and limitations specified in that subsection; ~~and~~

(8) to the Attorney General; the Data Clearinghouse established in the October 2017 Non-Participating Manufacturer Adjustment Settlement Agreement, which the State of Vermont joined in 2018; the National Association of Attorneys General; and counsel for the parties to the Agreement as required by the Agreement and to the extent necessary to comply with the Agreement and only as long as the State is a party to the Agreement; and

(9) to the Public Utility Commission and the Department of Public Service, provided the disclosure relates to the sale of heating fuel into or in the State for compliance with the Clean Heat Standard established in 30 V.S.A. chapter 94.

* * *

* * * 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 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 programs ~~which~~ that shall contain a percentage 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" 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 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 services only to its members, a landlord providing thermal energy services only to its tenants where the service is included in the lease agreement, or any entity that provides thermal energy 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 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. § 151, including for district energy projects such as those described in subdivision 209 (e)(1) of this title.

Sec. 17 THERMAL ENERGY NETWORK DEVELOPMENT STUDY

(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 networks and the permitting of thermal energy network providers. The report shall address all aspects of the permitting, construction, operation, and rates of thermal energy 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 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.

Rep. Long of Newfane presiding.

Speaker presiding.

Rep. Ode of Burlington, for the Committee on Ways and Means, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Environment and Energy and when further amended as follows:

First: By striking out Sec. 12, 32 V.S.A. § 3102, in its entirety and inserting in lieu thereof a new Sec. 12 to read as follows:

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.

* * *

Second: In Sec. 13, 30 V.S.A. § 248c(d), in subsection (d), after "This subsection sets fees for" by inserting "registrations and"

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and the report of the Committee on Environment and Energy was amended as recommended by the Committee on Ways and Means.

Pending the question, Shall the bill pass in concurrence with proposal of amendment as recommended by the Committee on Environment and Energy, as amended?, **Reps. Patt of Worcester, Stebbins of Burlington, Bongartz of Manchester, Clifford of Rutland City, Logan of Burlington, Morris of Springfield, Satcowitz of Randolph, Sheldon of Middlebury, Sibilia of Dover, Smith of Derby, and Torre of Moretown** moved that the report of the Committee on Environment and Energy, as amended, be further amended as follows:

First: In Sec. 14, 30 V.S.A. § 209, in subdivision (d)(3)(C), by striking out the first sentence in its entirety and inserting in lieu thereof a new sentence to read as follows:

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.

Second: By striking out Sec. 15 in its entirety and inserting in lieu thereof a new Sec. 15 to read as follows:

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.

Third: By striking out Sec. 16 in its entirety and inserting in lieu thereof a new Sec. 16 to read as follows:

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.

Fourth: By striking out Sec. 17 in its entirety and inserting in lieu thereof a new Sec. 17 to read as follows:

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.

Which was agreed to. Thereupon, the report of the Committee on Environment and Energy, as amended, was agreed to and third reading was ordered.

Proposal of Amendment Amended; Third Reading;
Bill Passed in Concurrence with Proposal of Amendment

S. 310

Senate bill, entitled

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

Was taken up and, pending third reading of the bill, **Rep. McGill of Bridport** moved to amend the House proposal of amendment by inserting a new section to be Sec. 7a to read as follows:

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.

Which was agreed to.

Pending third reading of the bill, **Reps. Higley of Lowell and McCarthy of St. Albans City** moved to amend the House proposal of amendment by inserting a new section to be Sec. 6a to read as follows:

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.

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

Proposal of Amendment Amended; Third Reading; Bill Passed in Concurrence with Proposal of Amendment

S. 55

Senate bill, entitled

An act relating to authorizing public bodies to meet electronically under Vermont's Open Meeting Law

Was taken up and, pending third reading of the bill, **Rep. McFaun of Barre Town**, moved to amend the House proposal of amendment as follows:

In Sec. 3, 1 V.S.A. § 312, in subdivision (a)(3), after "Any public body of the State, except advisory bodies", by striking out "and the Human Services Board"

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

Recess

At five o'clock and four minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

Called to Order

At five o'clock and seventeen minutes in the afternoon, the Speaker called the House to order.

Action on Bill Postponed

H. 687

House bill, entitled

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

Was taken up and, pending consideration of the Senate proposal of amendment, on motion of **Rep. Sheldon of Middlebury**, action on the bill was postponed until May 8, 2024.

Rules Suspended, Bills Messaged to Senate Forthwith

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the following bills were ordered messaged to the Senate forthwith:

H. 655

House bill, entitled

An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records

S. 192

Senate bill, entitled

An act relating to forensic facility admissions criteria and processes

S. 195

Senate bill, entitled

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

S. 204

Senate bill, entitled

An act relating to supporting Vermont's young readers through evidence-based literacy instruction

S. 254

Senate bill, entitled

An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program

S. 310

Senate bill, entitled

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

Adjournment

At five o'clock and twenty-one minutes in the afternoon, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at ten o'clock in the forenoon.

Wednesday, May 8, 2024

At ten o'clock in the forenoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Reps. Kathleen James of Manchester, Robin Chesnut-Tangerman of Middletown Springs, David Durfee of Shaftsbury, Bobby Farlice-Rubio of Barnet, Tiff Bluemle of Burlington, Gabrielle Stebbins of Burlington, Mari Cordes of Lincoln, Tesha Buss of Woodstock, and Leslie Goldman of Rockingham.

Joint Resolution Referred to Committee

J.R.H. 11

Joint resolution urging the establishment of a National Human Rights Institution in the United States

Offered by: Representatives Christie of Hartford, Elder of Starksboro, Lipsky of Stowe, McGill of Bridport, Quimby of Lyndon, and Templeman of Brownington

Whereas, the United States is a champion of human rights around the world, and it is essential to promote a culture of human rights here at home, and

Whereas, on December 20, 1993, the United Nations (UN) General Assembly adopted Resolution 48/134, which encouraged the "establishment and strengthening of national institutions" on human rights, and, equally important, the UN General Assembly adopted an annex to the resolution, officially referred to as the Paris Principles, which sets forth principles relating to the status of national institutions of human rights, and

Whereas, on March 15, 2006, the UN General Assembly adopted Resolution 60/251 establishing the UN Human Rights Council, the UN-member organization that addresses human rights matters, and

Whereas, on October 7, 2022, the UN Human Rights Council adopted Resolution 51/31, National human rights institutions, that "[e]ncourages States to establish effective, independent and pluralistic national human rights institutions or, where they already exist, to strengthen them," and

Whereas, according to the Office of the UN High Commissioner for Human Rights, as of December 20, 2023, 88 nations have established National Human Rights Institutions (NHRI) that are fully compliant with the 1993 Paris Principles, and an additional 32 others have formed NHRIs that are partially compliant with those Principles, and

Whereas, the United States does not have an NHRI or similar governmental office, and

Whereas, the establishment of an NHRI in the United States could provide focus and direction to national efforts to promote and protect human rights and provide important assistance to the efforts of state and local human rights commissions and tribal governments, and

Whereas, on December 15, 2022, many U.S. academic, advocacy, civic, and legal organizations and associated individuals wrote to Ambassador Susan Rice, then-Director of the White House Domestic Policy Council, requesting the creation of a federal commission to study establishing an NHRI in this country, and

Whereas, in 1966, separate from the establishment of the UN Human Rights Council, the world's nations adopted the International Covenant on Civil and Political Rights (ICCPR), which established the UN Human Rights Committee (the Committee), a panel that regularly reviews the ICCPR's signatory nations' compliance with this agreement, and

Whereas, in the fall of 2023, an ad hoc coalition consisting of American and international organizations concerned about human rights submitted to the Committee a report finding that "[t]o achieve full implementation of the ICCPR, the United States must establish an NHRI in accordance with the Paris Principles," now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly urges the establishment of a National Human Rights Institution in the United States, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to President Joseph R. Biden, U.S. Ambassador to the United Nations Linda Thomas-Greenfield, and the Vermont Congressional Delegation.

Was read and treated as a bill and referred to the Committee on General and Housing pursuant to House Rule 52.

Third Reading;
Bill Passed in Concurrence with Proposal of Amendment

S. 114

Senate bill, entitled

An act relating to the establishment of the Psychedelic Therapy Advisory Working Group

Was taken up, read the third time, and passed in concurrence with proposal of amendment.

Third Reading; Bill Passed in Concurrence

S. 159

Senate bill, entitled

An act relating to the County and Regional Governance Study Committee

Was taken up, read the third time, and passed in concurrence.

Proposal of Amendment Amended; Third Reading;
Bill Passed in Concurrence with Proposal of Amendment

S. 167

Senate bill, entitled

An act relating to miscellaneous amendments to education law

Was taken up and, pending third reading of the bill, **Reps. Stone of Burlington, Austin of Colchester, Birong of Vergennes, Brady of Williston, Brown of Richmond, Brownell of Pownal, Buss of Woodstock, Conlon of Cornwall, Hango of Berkshire, McCann of Montpelier, Minier of South Burlington, Sibilia of Dover, Taylor of Milton, Toof of St. Albans Town, and Williams of Granby** moved to amend the House proposal of amendment by adding a reader assistance heading and two new sections to be Secs. 10a and 10b to read as follows:

* * * Military-Related Postsecondary Education and Training Opportunities * * *

Sec. 10a. 16 V.S.A. § 941 is amended to read:

§ 941. FLEXIBLE PATHWAYS INITIATIVE

(a) There is created within the Agency a Flexible Pathways Initiative:

(1) to encourage and support the creativity of school districts as they develop and expand high-quality educational experiences that are an integral part of secondary education in the evolving 21st ~~Century~~ century classroom;

(2) to promote opportunities for Vermont students to achieve postsecondary readiness through high-quality educational experiences that acknowledge individual goals, learning styles, and abilities; and

(3) to increase the rates of secondary school completion and postsecondary continuation and retention in Vermont.

(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:

(1) ~~to~~ To identify and support secondary students who require additional assistance to succeed in school and to identify ways in which individual students would benefit from flexible pathways to graduation~~;~~.

(2) ~~to~~ To work with every student in grade ~~7~~ seven through grade 12 in an ongoing personalized learning planning process that:

(A) identifies the student's emerging abilities, aptitude, and disposition;

(B) includes participation by families and other engaged adults;

(C) guides decisions regarding course offerings and other high-quality educational experiences; ~~and~~

(D) identifies career and postsecondary planning options using resources provided pursuant to subdivision (4) of this subsection (b); and

~~(D)~~(E) is documented by a personalized learning plan~~;~~.

(3) ~~to~~ To create opportunities for secondary students to pursue flexible pathways to graduation that:

(A) increase aspiration and encourage postsecondary continuation of training and education;

(B) are an integral component of a student's personalized learning plan; and

(C) include:

(i) applied or work-based learning opportunities, including career and career technical education and internships;

(ii) virtual learning and blended learning;

(iii) dual enrollment opportunities as set forth in section 944 of this title;

(iv) early college programs as set forth in subsection 4011(e) of this title;

(v) the High School Completion Program as set forth in section 943 of this title; and

(vi) the Adult Diploma Program and General Educational Development Program as set forth in section 945 of this title; and

(4) ~~to~~ To provide students, beginning ~~no~~ not later than in grade ~~7~~ seven, with career development and postsecondary planning resources to ensure that they are able to take full advantage of the opportunities available within the flexible pathways to graduation and to achieve their career and postsecondary education and training goals. Resources provided pursuant to this subdivision shall include information regarding the admissions process and requirements necessary to proceed with any and all military-related opportunities.

* * *

Sec. 10b. 16 V.S.A. § 2828 is added to read:

§ 2828. PLANNING RESOURCES; U.S. ARMED FORCES OPTIONS

The Corporation's print and website financial aid and planning publications for postsecondary education and training resources shall include Vermont National Guard and U. S. Armed Forces options relevant to each publication.

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

Third Reading;
Bills Passed in Concurrence with Proposal of Amendment

Senate bills of the following titles were severally taken up, read the third time, and passed in concurrence with proposal of amendment:

S. 183

Senate bill, entitled

An act relating to reenvisioning the Agency of Human Services

S. 253

Senate bill, entitled

An act relating to building energy codes

S. 302

Senate bill, entitled

An act relating to public health outreach programs regarding dementia risk

S. 305

Senate bill, entitled

An act relating to miscellaneous changes related to the Public Utility Commission

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted; Rules Suspended, Messaged to the Senate Forthwith

S. 309

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, 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 Speaker placed before the House the following Committee of Conference report:

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference, to which were referred the disagreeing votes of the two Houses upon Senate Bill, entitled:

S.309. 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;~~ 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 (l) of this section. New and renewal application forms shall include a space for the applicant to request that a "veteran" designation be placed on the applicant's identification card. If a veteran, as defined in 38 U.S.C. § 101(2) 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.

REP. SARA COFFEY
REP. CHARLES"BUTCH" H. SHAW
REP. LEONORA DODGE

Committee on the part of the House

SEN. ANDREW PERCHLIK
SEN. THOMAS CHITTENDEN
SEN. RUSS INGALLS

Committee on the part of the Senate

Which was considered and adopted on the part of the House.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Recess

At ten o'clock and fifty-nine minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

Called to Order; Recess for House Caucus of the Whole

At two o'clock and twelve minutes in the afternoon, the Speaker called the House to order.

At two o'clock and twelve minutes in the afternoon, the Speaker declared a recess until the fall of the gavel in order for the House to hold a Caucus of the Whole on H.883 (Budget).

Called to Order

At three o'clock and five minutes in the afternoon, the Speaker called the House to order.

Rules Suspended, Bills Messaged to Senate Forthwith

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the following bills were ordered messaged to the Senate forthwith:

S. 114

Senate bill, entitled

An act relating to the establishment of the Psychedelic Therapy Advisory Working Group

S. 167

Senate bill, entitled

An act relating to miscellaneous amendments to education law

S. 183

Senate bill, entitled

An act relating to reenvisioning the Agency of Human Services

S. 302

Senate bill, entitled

An act relating to public health outreach programs regarding dementia risk

S. 305

Senate bill, entitled

An act relating to miscellaneous changes related to the Public Utility Commission

Message from the Senate No. 63

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

S. 204. An act relating to supporting Vermont's young readers through evidence-based literacy instruction.

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

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Campion
Senator Gulick
Senator Weeks

Proposed Amendment to the Vermont Constitution Adopted in Concurrence

Proposal 4

Rep. Rachelson of Burlington, for the Committee on Judiciary, to which had been referred Proposal 4, which is printed in full below, reported in favor of its adoption in concurrence.

The proposal, having appeared on the Calendar for five legislative days pursuant to House Rule 51a, was taken up.

Subject: Declaration of rights; government for the people; equality of rights

PROPOSAL 4

Sec. 1. PURPOSE

(a) This proposal would amend the Constitution of the State of Vermont to specify that the government must not deny equal treatment under the law on account of a person's race, ethnicity, sex, religion, disability, sexual orientation, gender identity, gender expression, or national origin. The Constitution is our founding legal document stating the overarching values of our society. This amendment is in keeping with the values espoused by the current Vermont Constitution. Chapter I, Article 1 declares "That all persons are born equally free and independent, and have certain natural, inherent, and unalienable rights." Chapter I, Article 7 states "That government is, or ought to be, instituted for the common benefit, protection, and security of the people." The core value reflected in Article 7 is that all people should be afforded all the benefits and protections bestowed by the government, and that the government should not confer special advantages upon the privileged. This amendment would expand upon the principles of equality and liberty by ensuring that the government does not create or perpetuate the legal, social, or economic inferiority of any class of people. This proposed constitutional amendment is not intended to limit the scope of rights and protections afforded by any other provision in the Vermont Constitution.

(b) Providing for equality of rights as a fundamental principle in the Constitution would serve as a foundation for protecting the rights and dignity of historically marginalized populations and addressing existing inequalities. This amendment would reassert the broad principles of personal liberty and

equality reflected in the Constitution of the State of Vermont with authoritative force, longevity, and symbolic importance.

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

Article 23. [Equality of rights]

That the people are guaranteed equal protection under the law. The State shall not deny equal treatment under the law on account of a person's race, ethnicity, sex, religion, disability, sexual orientation, gender identity, gender expression, or national origin. Nothing in this Article shall be interpreted or applied to prevent the adoption or implementation of measures intended to provide equality of treatment and opportunity for members of groups that have historically been subject to discrimination.

Sec. 3. EFFECTIVE DATE

The amendment set forth in Sec. 2 shall become a part of the Constitution of the State of Vermont on the first Tuesday after the first Monday of November 2026 when ratified and adopted by the people of this State in accordance with the provisions of 17 V.S.A. chapter 32.

Pending the question, Shall the House adopt the constitutional proposal in concurrence?, **Rep. Rachelson of Burlington** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House adopt the constitutional proposal in concurrence?, was decided in the affirmative. Yeas, 140. Nays, 4.

Those who voted in the affirmative are:

Andrews of Westford
Andriano of Orwell
Anthony of Barre City
Arrison of Weathersfield
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Bartley of Fairfax
Beck of St. Johnsbury
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Branagan of Georgia
Brennan of Colchester
Dolan of Essex Junction
Dolan of Waitsfield
Donahue of Northfield
Duke of Burlington
Durfee of Shaftsbury
Elder of Starksboro
Emmons of Springfield
Farlice-Rubio of Barnet
Galfetti of Barre Town
Garofano of Essex
Goldman of Rockingham
Goslant of Northfield
Graning of Jericho *
Gregoire of Fairfield
Hango of Berkshire
Harrison of Chittenden
Headrick of Burlington
Holcombe of Norwich
Hooper of Randolph
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Morgan of Milton
Morris of Springfield
Morrissey of Bennington
Mrowicki of Putney
Nicoll of Ludlow
Notte of Rutland City
Noyes of Wolcott
Nugent of South Burlington
O'Brien of Tunbridge
Ode of Burlington
Oliver of Sheldon
Page of Newport City
Pajala of Londonderry
Parsons of Newbury
Patt of Worcester
Pouech of Hinesburg

Brown of Richmond
Brownell of Pownal
Brumsted of Shelburne *
Burditt of West Rutland
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Canfield of Fair Haven
Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chapin of East Montpelier*
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Cina of Burlington
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Cordes of Lincoln
Demar of Enosburgh
Demrow of Corinth
Dickinson of St. Albans Town
Dodge of Essex
Hooper of Burlington
Houghton of Essex Junction
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
Labor of Morgan
LaBounty of Lyndon
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown *
Lanpher of Vergennes
Laroche of Franklin
Leavitt of Grand Isle
Lipsky of Stowe
Logan of Burlington
Long of Newfane *
Maguire of Rutland City
Marcotte of Coventry
Masland of Thetford
Mattos of Milton
McCann of Montpelier
McCarthy of St. Albans City
McCoy of Poultney
McFaun of Barre Town
Priestley of Bradford
Quimby of Lyndon
Rachelson of Burlington *
Rice of Dorset
Roberts of Halifax
Satcowitz of Randolph
Scheu of Middlebury
Shaw of Pittsford
Sheldon of Middlebury
Sibilia of Dover
Sims of Craftsbury
Squirrell of Underhill
Stebbins of Burlington
Stevens of Waterbury
Stone of Burlington
Surprenant of Barnard
Taylor of Milton
Taylor of Colchester
Templeman of Brownington
Toleno of Brattleboro
Toof of St. Albans Town
Torre of Moretown
Troiano of Stannard
Walker of Swanton
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City
Wood of Waterbury

Those who voted in the negative are:

Higley of Lowell
Peterson of Clarendon
Smith of Derby
Williams of Granby *

Those members absent with leave of the House and not voting are:

Clifford of Rutland City
Graham of Williamstown
Pearl of Danville
Sammis of Castleton
Small of Winooski

Rep. Brumsted of Shelburne explained her vote as follows:

"Madam Speaker:

I voted yes to pass the Equal Rights Amendment. Remembering back to my 2nd year living in Vermont. I was a Junior at the University of Vermont back in 1986, I volunteered to help at the polls for Governor Kunin, my job was to bring the final vote counts to the then Radisson Hotel, my post was Winooski, VT. The Equal Rights Amendment was on the ballot along with Governor Kunin's second race for Governor – I assumed both would win. At

the end of the vote count, I was given the official results by the Town Clerk and I headed to the Radisson Hotel to post Winooski's results. After my work was done, I started looking at the board and realized that town after town had voted for Governor Kunin but against the Equal Rights Amendment, I was shocked! I just couldn't believe that anyone would vote against an equal rights amendment. I knew then I would continue to work on passing this constitutional amendment, hence the beginning of my working on campaigns. I am so pleased to be here this evening 38 years later, as a state legislator able to vote yes on the Equal Rights Amendment; I can help give every Vermont voter the ability to vote on this important amendment. Thank you, Madam Speaker!"

Rep. Chapin of East Montpelier explained her vote as follows:

"Madam Speaker:

I vote yes for Proposal 4 to add equal rights protection for all Vermonters, so that we can take bold steps toward a truly inclusive and equitable community, by enshrining these values and protections in our State Constitution."

Rep. Graning of Jericho explained her vote as follows:

"Madam Speaker:

It is disappointing that in 2024 we need to codify antidiscrimination, but sadly we do. It gives me hope that today we are moving one step closer to equality for all."

Rep. LaMont of Morristown explained her vote as follows:

"Madam Speaker:

What we have seen here today is once again how our antiquated system does not work in our favor. So, we follow rules and process that may seem trivial and take time to make necessary amendments as we can. This will be put forth to the voters of Vermont; they will have the ultimate say. It is time we make sure ALL Vermonters are guaranteed the right to equal treatment and dignity. I have said it before, and I will say it again. Equity is not an afterthought."

Rep. Long of Newfane explained her vote as follows:

"Madam Speaker:

I voted yes because it is time for Vermont to add an equal rights clause to our state constitution in order to ensure all people are guaranteed equal protection under the law. I am proud to support this amendment, which is

foundational to protecting the rights of historically marginalized groups and addressing existing inequalities."

Rep. Rachelson of Burlington explained her vote as follows:

"Madam Speaker:

Today we took an important step toward saying to ALL Vermonters – Discrimination has no place here."

Rep. Williams of Granby explained her vote as follows:

"Madam Speaker:

As much as I support all the groups listed, there is no equality in a proposal that has the potential to leave a 'people' group out."

Second Reading; Proposal of Amendment Agreed to; Third Reading Ordered

S. 96

Rep. McCarthy of St. Albans City, for the Committee on Government Operations and Military Affairs, to which had been referred Senate bill, entitled

An act relating to privatization contracts

Reported in favor of its passage in concurrence with proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 3 V.S.A. § 341 is amended to read:

§ 341. DEFINITIONS

* * *

(3) "Privatization contract" means a contract for services valued at $25,000.00 or more per year, which:

(A) is the same or substantially similar to and in lieu of services ~~previously~~ currently provided, in whole or in part, by permanent, classified State employees; or

(B) will substantially replace the duties of a vacant position in State government~~, and which results in a reduction in force of at least one permanent, classified employee, or the elimination of a vacant position of an employee covered by a collective bargaining agreement~~.

* * *

Sec. 2. 3 V.S.A. §§ 342 and 343 are amended to read:

§ 342. CONTRACTING STANDARDS; CONTRACTS FOR SERVICES

Each contract for services valued at $25,000.00 or more per year shall require certification by the Office of the Attorney General to the Secretary of Administration that such contract for services is not contrary to the ~~spirit and~~ intent of the classification plan and merit system and standards of this title. A contract for services is contrary to the ~~spirit and~~ intent of the classification plan and merit system and standards of this title, and shall not be certified by the Office of the Attorney General as provided in this section, unless the provisions of subdivisions (1), (2), and (3) of this section are met, or one or more of the exceptions described in subdivision (4) of this section apply.

* * *

§ 343. PRIVATIZATION CONTRACTS; PROCEDURE

(a) An agency shall not enter into a privatization contract unless all of the following are satisfied:

(1)(A) Thirty-five days prior to the beginning of any open bidding process, the agency provides written notice to the collective bargaining representative of the intent to seek to enter a privatization contract. During those 35 days, the collective bargaining representative shall have the opportunity to discuss alternatives to contracting. Such alternatives may include amendments to the contract if mutually agreed upon by the parties. Notices regarding the bid opportunity may not be issued during the 35-day discussion period. The continuation of discussions beyond the end of the 35-day period shall not delay the issuance of notices.

(B) During this 35-day period, the agency shall prepare a specific written statement of the services proposed to be the subject of the privatization contract, including the specific quantity and standard or quality of the subject services. For each position in which a bidder will employ any person pursuant to a privatization contract and for which the duties are substantially similar to the duties performed by a permanent, classified State employee, the statement shall also include the prevailing wage rate to be paid for each position, which shall not be less than the average step of the grade under which the comparable State employee position is paid. This statement shall be provided to the collective bargaining representative, the Agency of Administration, and be posted where it is viewable to the public. This statement shall be subject to 1 V.S.A. chapter 5, subchapter 3 (Public Records Act).

* * *

(4) Every bid for a privatization contract shall include:

(A) the wage rate for each position, which shall not be less than the prevailing wage rate contained in the statement described in subdivision (1)(B) of this subsection (a); and

(B) whether health, dental, and vision insurance coverage is provided to employees and, if applicable, the cost to employees for such coverage.

(5) The Agency and the Secretary of Administration shall each certify in writing that:

(A) they have complied with all provisions of this section and with all other applicable laws;

(B) the quality of the services to be provided by the designated bidder is likely to satisfy the quality requirements of the statement prepared pursuant to subdivision (1) of this subsection (a);

(C) the designated bidder and its supervisory employees, while in the employ of the designated bidder, have no record of substantial or repeated willful noncompliance with any relevant federal or State regulatory statute, including statutes concerning labor relations, occupational safety and health, nondiscrimination and affirmative action, environmental protection, and conflicts of interest; and

(D) the proposed privatization contract is in the public interest in that it meets the applicable quality and fiscal standards set forth in this section.

(b) Each privatization contract shall include:

(1) the wage rate for each position, which shall not be less than the prevailing wage rate contained in the statement described in subdivision (a)(1) of this section;

(2) a provision that the cost and coverage of the health, dental, and vision insurance provided to employees is substantially similar to the cost and coverage of the health, dental, and vision insurance provided to State employees;

(3) a provision that the contractor shall submit quarterly payroll records to the agency that list the hours worked and the hourly wage paid for each employee in the previous quarter;

(4) a provision that the agency shall not amend any privatization contract if the amendment has the purpose or effect of voiding any requirement of this section;

(5) a provision requiring the contractor to comply with a policy of nondiscrimination and equal opportunity for all persons and to take affirmative steps to provide such equal opportunity for all persons;

(6) a provision granting all employees employed under the contract just cause employment protection; and

(7) a provision requiring the contractor to comply with a policy of whistleblower protection equal to those defined in sections 971–978 of this title.

~~(b)~~(c)(1) A privatization contract shall contain specific performance measures regarding quantity, quality, and results and guarantees regarding the services performed.

(2) The agency shall provide information in the State's Workforce Report on the contractor's compliance with the specific performance measures set out in the contract.

(3) The agency may not renew the contract if the contractor fails to comply with the specific performance measures set out in the contract as required by subdivision (1) of this subsection.

~~(c)~~(d)(1) Before an agency may renew a privatization contract for the first time, the Auditor of Accounts shall review the privatization contract, along with employer payroll and benefits records, analyzing whether it is achieving:

(A) the 10 percent cost-savings requirement set forth in subdivision (a)(2) of this section; and

(B) the performance measures incorporated into the contract as required under subdivision ~~(b)~~(c)(1) of this section.

(2) If the Auditor of Accounts finds that a privatization contract has not achieved the cost savings required under subdivision (a)(2) of this section or complied with performance measures required under ~~subdivision (b)~~ subdivisions (c)(1) and (d)(1) of this section, the Auditor of Accounts shall file a report with the agency and the House Committee on Government Operations and Military Affairs and Senate ~~Committees~~ Committee on Government Operations, and the agency ~~review whether to renew the privatization contract or perform the work with State employees~~ shall not renew the privatization contract.

Sec. 3. FISCAL AND OPERATIONAL IMPACT OF PRIVATIZATION CONTRACT CHANGES

(a) The Agency of Administration, in consultation with the Joint Fiscal Office, the State Auditor, the Vermont State Employees' Association, and the

Office of the Attorney General, shall assess the fiscal and operational impacts of:

(1) modifying the definition of "privatization contract" as set forth in 3 V.S.A. § 341, to include grants;

(2) increasing the required cost savings of a privatization contract from 10 percent to 20 percent; and

(3) removing exceptions set forth in 3 V.S.A. § 342(4) that, after review, are used excessively or arbitrarily to certify contracts by the Office of the Attorney General.

(b) The Agency shall submit a written report to the House Committees on Appropriations and on Government Operations and Military Affairs and the Senate Committees on Appropriations and on Government Operations with its analysis conducted pursuant to this section on or before February 1, 2025.

Sec. 4. LEGISLATIVE INTENT; PRIVATIZATION CONTRACTS

It is the intent of the General Assembly that a privatization contract shall not be required for a contract for services when there is no permanent, classified State employee position to perform the equivalent of such proposed contracted services, which includes health services and capital construction.

Sec. 5. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 1 shall take effect on July 1, 2025.

Rep. Mihaly of Calais, for the Committee on Appropriations, recommended that the bill pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations and Military Affairs.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, the report of the Committee on Government Operations and Military Affairs agreed to, and third reading ordered.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Not Concurred in; Committee of Conference Requested and Appointed; Rules Suspended, House Actions Messaged to Senate Forthwith

H. 534

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to retail theft

Was taken up for immediate consideration.

The Senate proposed 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.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. Notte of Rutland City** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. Notte of Rutland City
Rep. Burditt of West Rutland
Rep. Dolan of Essex Junction

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 614

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to land improvement fraud and timber trespass

Was taken up for immediate consideration.

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

Sec. 1. 13 V.S.A. § 2029 is amended to read:

§ 2029. HOME IMPROVEMENT AND LAND IMPROVEMENT FRAUD

(a) As used in this section~~, "home~~:

(1) "Home improvement" ~~includes~~ means the fixing, replacing, remodeling, removing, renovation, alteration, conversion, improvement, demolition, or rehabilitation of or addition to any building ~~or land~~, or any portion thereof, including roofs, that is used or designed to be used as a residence or dwelling unit. ~~Home improvement shall include~~

(2)(A) "Land improvement" means:

(i) the construction, replacement, installation, paving, or improvement of driveways, ~~roofs, and~~ sidewalks, ~~and~~ trails, roads, or other landscape features;

(ii) site work, including grading, excavation, landscape irrigation, site utility installation, site preparation, and other construction work that is not part of a building on a parcel;

(iii) the limbing, pruning, ~~and~~ cutting, or removal of trees or shrubbery ~~and other improvements to structures or upon land that is adjacent to a dwelling house~~; and

(iv) forestry operations, as that term is defined in 10 V.S.A. § 2602, including the construction of trails, roads, and structures associated with forestry operations and the transportation off-site of trees, shrubs, or timber.

(B) "Land improvement" includes activities made in connection with a residence or dwelling or those activities not made in connection with a residence or dwelling.

(b) A person commits the offense of home improvement or land improvement fraud when ~~he or she~~ the person enters into a contract or agreement, written or oral, for ~~$500.00~~ $1,000.00 or more, with an owner for home improvement or land improvement, or into several contracts or agreements for $2,500.00 or more in the aggregate, with more than one owner for home improvement or land improvement, and ~~he or she~~ the person knowingly:

(1)(A) fails to perform the contract or agreement, in whole or in part; and

(B) when the owner requests performance, payment, or a refund of payment made, the person fails to either:

(i) refund the payment; ~~or~~

(ii) make and comply with a definite plan for completion of the work that is agreed to by the owner; or

(iii) make the payment;

(2) misrepresents a material fact relating to the terms of the contract or agreement or to the condition of any portion of the property involved;

(3) uses or employs any unfair or deceptive act or practice in order to induce, encourage, or solicit such person to enter into any contract or agreement or to modify the terms of the original contract or agreement; or

(4) when there is a declared state of emergency, charges for goods or services related to the emergency a price that exceeds two times the average price for the goods or services and the increase is not attributable to the additional costs incurred in connection with providing those goods or services.

(c) Whenever a person is convicted of home improvement or land improvement fraud or of fraudulent acts related to home improvement or land improvement:

(1) the person shall notify the Office of the Attorney General;

(2) the court shall notify the Office of the Attorney General; and

(3) the Office of the Attorney General shall place the person's name on the Home Improvement and Land Improvement Fraud Registry and shall include on the Registry whether the person has notified the Office of Attorney General under subdivision (e)(1) of this section that they have filed a surety bond or an irrevocable letter of credit.

(d)(1) A person who violates subsection (b) of this section shall be imprisoned not more than two years or fined not more than $1,000.00, or both, if the loss to a single consumer is less than ~~$1,000.00~~ $1,500.00.

(2) A person who is convicted of a second or subsequent violation of ~~subdivision (1) of this~~ subsection (b) of this section shall be imprisoned not more than three years or fined not more than $5,000.00, or both.

(3) A person who violates subsection (b) of this section shall be imprisoned not more than three years or fined not more than $5,000.00, or both, if:

(A) the loss to a single consumer is ~~$1,000.00~~ $1,500.00 or more; or

(B) the loss to more than one consumer is $2,500.00 or more in the aggregate.

(4) A person who is convicted of a second or subsequent violation of subdivision (b)(3) of this ~~subsection~~ section shall be imprisoned not more than five years or fined not more than $10,000.00, or both.

(5) A person who violates subsection (c) or (e) of this section shall be imprisoned for not more than two years or fined not more than $1,000.00, or both.

(e)(1) A person who is sentenced pursuant to subdivision (d)(2), (3), or (4) of this section, or convicted of fraudulent acts related to home improvement or land improvement, may engage in home improvement or land improvement activities for compensation only if:

~~(1)~~(A) the work is for a company or individual engaged in home improvement or land improvement activities~~,~~ and the company or individual has not previously committed a violation under this section; the person and the management of the company or the individual are not a family member, a household member, or a current or prior business associate; and the person first

notifies the company or individual of the conviction and notifies the Office of the Attorney General of the person's current address and telephone number; the name, address, and telephone number of the company or individual for whom the person is going to work; and the date on which the person will start working for the company or individual; or

~~(2)~~(B) the person notifies the Office of the Attorney General of the intent to engage in home improvement or land improvement activities, and that the person has filed a surety bond or an irrevocable letter of credit with the Office in an amount of not less than ~~$50,000.00,~~ $250,000.00 and pays on a regular basis all fees associated with maintaining such bond or letter of credit.

(2) As used in this subsection:

(A) "Business associate" means a person joined together with another person to achieve a common financial objective.

(B) "Family member" means a spouse, child, sibling, parent, next of kin, domestic partner, or legal guardian.

(C) "Household member" means a person who, for any period of time, is living or has lived together, is sharing or has shared occupancy of a dwelling.

(f) The Office of the Attorney General shall release the letter of credit at such time when:

(1) any claims against the person relating to home improvement or land improvement fraud have been paid;

(2) there are no pending actions or claims against the person for home improvement or land improvement fraud; and

(3) the person has not been engaged in home improvement or land improvement activities for at least six years and has signed an affidavit so attesting.

(g) A person convicted of home improvement or land improvement fraud is prohibited from applying for or receiving State grants or from contracting, directly or indirectly, with the State or any of its subdivisions for a period of up to three years following the date of the conviction, as determined by the Commissioner of Buildings and General Services.

(h) A person subject to the financial surety requirements of section 3605 of this title for timber trespass shall not engage in land improvement activities unless the person has satisfied the financial surety requirements for timber trespass.

Sec. 2. 13 V.S.A. § 3605 is added to read:

§ 3605. FINANCIAL SURETY REQUIRED FOR CONTINUED TIMBER HARVESTING ACTIVITIES

(a) Under one or more of the following circumstances, a person shall not engage in timber harvesting activities for compensation unless the person satisfies the conditions of subsection (b) of this section:

(1) The person was convicted of a second or subsequent violation of timber trespass under section 3606a of this title.

(2) The person is subject to two or more civil judgements under section 3606 of this title.

(3) The person is subject to the financial surety requirements of subsection 2029(e) of this title for land improvement fraud.

(4) The person was convicted of a combination of one or more violations of timber trespass and one or more occurrence of land improvement fraud.

(b)(1) A person subject to prohibition under subsection (a) of this section may engage in timber harvesting activities for compensation if:

(A) the work is for a company or individual engaged in timber harvesting activities and the company or individual has not previously committed a violation under this section; the person and the management of the company or the individual are not a family member, a household member, or a current or prior business associate; and the person first notifies the company or individual of the conviction or civil judgment and notifies the Office of the Attorney General of the person's current address and telephone number; the name, address, and telephone number of the company or individual for whom the person is going to work; and the date on which the person will start working for the company or individual; or

(B) the person notifies the Office of the Attorney General of the intent to engage in timber harvesting activities, has filed a surety bond or an irrevocable letter of credit with the Office in an amount of not less than $250,000.00, and pays on a regular basis all fees associated with maintaining such bond or letter of credit.

(2) As used in this subsection:

(A) "Business associate" means a person joined together with another person to achieve a common financial objective.

(B) "Family member" means a spouse, child, sibling, parent, next of kin, domestic partner, or legal guardian of a person.

(C) "Household member" means a person who, for any period of time, is living or has lived together, is sharing or has shared occupancy of a dwelling.

(c) The Office of the Attorney General shall release the letter of credit at such time when:

(1) any claims against the person relating to timber harvesting activities or land improvement fraud have been paid;

(2) there are no pending actions or claims against the person from the person's timber harvesting activities or land improvement fraud; and

(3) the person has not been engaged in timber harvesting activities for at least six years and has signed an affidavit so attesting.

(d) A person who violates subsection (b) of this section or subdivision 3606a(c)(1) of this title shall be imprisoned for not more than two years or fined not more than $1,000.00, or both.

Sec. 3. 13 V.S.A. § 3606a is amended to read:

§ 3606a. TRESPASS; CRIMINAL PENALTY

(a) No person shall knowingly or recklessly:

(1) cut down, fell, destroy, remove, injure, damage, or carry away any timber or forest product placed or growing for any use or purpose whatsoever, or timber or forest product lying or growing belonging to another person, without permission from the owner of the timber or forest product; or

(2) deface the mark of a log, forest product, or other valuable timber in a river or other place.

(b) Any person who violates subsection (a) of this section shall:

(1) for a first offense, be imprisoned not more than one year or fined not more than $20,000.00, or both; or

(2) for a second or subsequent offense, be imprisoned not more than ~~two~~ three years or fined not more than $50,000.00, or both.

(c) Whenever a person is convicted of timber trespass under this section:

(1) the person shall notify the Office of the Attorney General;

(2) the court shall notify the Office of the Attorney General; and

(3) the Office of the Attorney General shall place the person's name on the Home Improvement and Land Improvement Fraud Registry and shall include on the Registry whether the person has notified the Office of Attorney

General under subdivision 3605(b)(1)(B) of this title that they have filed a surety bond or an irrevocable letter of credit.

Sec. 4. IMPLEMENTATION

The financial surety requirements established by 13 V.S.A. § 3605 shall apply prospectively and shall not apply to convictions or civil judgments that occurred prior to the effective date of this act.

Sec. 5. OFFICE OF THE ATTORNEY GENERAL; REPORT ON TIMBER TRESPASS ENFORCEMENT

(a) On or before January 15, 2025, the Office of the Attorney General shall submit to the House Committees on Agriculture, Food Resiliency, and Forestry and on Judiciary and the Senate Committees on Natural Resources and Energy and on Judiciary a report regarding the current enforcement of timber trespass within the State and potential methods of improving enforcement. The report shall include:

(1) a summary of the current issues pertaining to enforcement of timber trespass statutes;

(2) a summary of mechanisms or alternatives utilized in other states to effectively enforce or prevent timber theft or similar crimes;

(3) recommendations for programs, policy changes, staffing, and budget estimates to improve enforcement and prevention; ensure consumer protection; and reduce the illegal harvesting, theft, and transporting of timber in the State, including proposed statutory changes to implement the recommendations; and

(4) a recommendation of whether and how property used in the commission of land improvement fraud or timber trespass should be subject to seizure and forfeiture by law enforcement.

(b) The Office of the Attorney General shall consult with the Department of Forests, Parks and Recreation; the Department of Public Safety; the Office of the State Treasurer; the Department of State's Attorneys and Sheriffs; the Professional Logging Contractors of the Northeast; the Vermont Forest Products Association; and other interested parties in the preparation of the report required under this section.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 644

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

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

Was taken up for immediate consideration.

The Senate proposed 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 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.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 707

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

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

Was taken up for immediate consideration.

The Senate proposed 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.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 661

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to child abuse and neglect investigation and substantiation standards and procedures

Was taken up for immediate consideration.

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

Sec. 1. 33 V.S.A. § 4903 is amended to read:

§ 4903. RESPONSIBILITY OF DEPARTMENT

The Department may expend, within amounts available for the purposes, what is necessary to protect and promote the welfare of children and adults in this State, including the strengthening of their homes whenever possible, by:

(1) Investigating complaints of neglect, abuse, or abandonment of children, including when, whether, and how names are placed on the Child Protection Registry.

* * *

Sec. 2. 33 V.S.A. § 4911 is amended to read:

§ 4911. PURPOSE

The purpose of this subchapter is to:

(1) protect children whose health and welfare may be adversely affected through abuse or neglect;

(2) strengthen the family and make the home safe for children whenever possible by enhancing the parental capacity for good child care;

(3) provide a temporary or permanent nurturing and safe environment for children when necessary; and for these purposes require the reporting of suspected child abuse and neglect, an assessment or investigation of such reports and provision of services, when needed, to such child and family;

(4) establish a range of responses to child abuse and neglect that take into account different degrees of child abuse or neglect and that recognize that child offenders should be treated differently from adults; ~~and~~

(5) establish a tiered child protection registry that balances the need to protect children and the potential employment consequences of a registry record for ~~persons who are~~ a person's conduct that is substantiated for child abuse and neglect; and

(6) ensure that in the Department for Children and Families' efforts to protect children from abuse and neglect, the Department also ensures that investigations are thorough, unbiased, based on accurate and reliable information weighed against other supporting or conflicting information, and adhere to due process requirements.

Sec. 3. 33 V.S.A. § 4912 is amended to read:

§ 4912. DEFINITIONS

As used in this subchapter:

* * *

(16) "Substantiated report" means that the Commissioner or the Commissioner's designee has determined after investigation that a report is based upon accurate and reliable information ~~that would lead a reasonable person to believe~~ where there is a preponderance of the evidence necessary to support the allegation that the child has been abused or neglected.

* * *

Sec. 4. 33 V.S.A. § 4915b is amended to read:

§ 4915b. PROCEDURES FOR INVESTIGATION

(a) An investigation, to the extent that it is reasonable under the facts and circumstances presented by the particular allegation of child abuse, shall include all of the following:

(1) A visit to the child's place of residence or place of custody and to the location of the alleged abuse or neglect.

(2) An interview with or observation of the child reportedly having been abused or neglected. If the investigator elects to interview the child, that interview may take place without the approval of the child's parents, guardian, or custodian, provided that it takes place in the presence of a disinterested adult who may be, but shall not be limited to being, a teacher, a member of the clergy, a child care provider regulated by the Department, or a nurse.

(3) Determination of the nature, extent, and cause of any abuse or neglect.

(4) Determination of the identity of the person alleged to be responsible for such abuse or neglect. The investigator shall use best efforts to obtain the

person's mailing and e-mail address as soon as practicable once the person's identity is determined. The person shall be notified of the outcome of the investigation and any notices sent by the Department using the mailing address, or if requested by the person, to the person's e-mail address collected pursuant to this subdivision.

(5)(A) The identity, by name, of any other children living in the same home environment as the subject child. The investigator shall consider the physical and emotional condition of those children and may interview them, unless the child is the person who is alleged to be responsible for such abuse or neglect, in accordance with the provisions of subdivision (2) of this subsection (a).

(B) The identity, by name, of any other children who may be at risk if the abuse was alleged to have been committed by someone who is not a member of the subject child's household. The investigator shall consider the physical and emotional condition of those children and may interview them, unless the child is the person who is alleged to be responsible for such abuse or neglect, in accordance with the provisions of subdivision (2) of this subsection (a).

(6) A determination of the immediate and long-term risk to each child if that child remains in the existing home or other environment.

(7) Consideration of the environment and the relationship of any children therein to the person alleged to be responsible for the suspected abuse or neglect.

(8) All other data deemed pertinent, including any interviews of witnesses made known to the Department.

(b) For cases investigated and substantiated by the Department, the Commissioner shall, to the extent that it is reasonable, provide assistance to the child and the child's family. For cases investigated but not substantiated by the Department, the Commissioner may, to the extent that it is reasonable, provide assistance to the child and the child's family. Nothing contained in this section or section 4915a of this title shall be deemed to create a private right of action.

* * *

Sec. 5. 33 V.S.A. § 4916 is amended to read:

§ 4916. CHILD PROTECTION REGISTRY

(a)(1) The Commissioner shall maintain a Child Protection Registry that shall contain a record of all investigations that have resulted in a substantiated report on or after January 1, 1992. Except as provided in subdivision (2) of

this subsection, prior to placement of a substantiated report on the Registry, the Commissioner shall comply with the procedures set forth in section 4916a of this title.

(2) In cases involving sexual abuse or serious physical abuse of a child, the Commissioner in ~~his or her~~ the Commissioner's sole judgment may list a substantiated report on the Registry pending any administrative review after:

(A) reviewing the investigation file; and

(B) making written findings in consideration of:

(i) the nature and seriousness of the alleged behavior; and

(ii) the person's continuing access to children.

(3) A person alleged to have abused or neglected a child and whose name has been placed on the Registry in accordance with subdivision (2) of this subsection shall be notified of the Registry entry, provided with the Commissioner's findings, and advised of the right to seek an administrative review in accordance with section 4916a of this title.

(4) If the name of a person has been placed on the Registry in accordance with subdivision (2) of this subsection, it shall be removed from the Registry if the substantiation is rejected after an administrative review.

(b) A Registry record means an entry in the Child Protection Registry that consists of the name of an individual whose conduct is substantiated for child abuse or neglect, the date of the finding, the nature of the finding, and at least one other personal identifier, other than a name, listed in order to avoid the possibility of misidentification.

(c) The Commissioner shall adopt rules pursuant to 3 V.S.A. chapter 25 to permit use of the Registry records as authorized by this subchapter while preserving confidentiality of the Registry and other Department records related to abuse and neglect.

(d) For all substantiated reports of child abuse or neglect made on or after the date the final rules are adopted, the Commissioner shall create a Registry record that reflects a designated child protection level related to the risk of future harm to children. This system of child protection levels shall be based upon an evaluation of the risk the person responsible for the abuse or neglect poses to the safety of children. The risk evaluation shall include consideration of the following factors:

(1) the nature of the conduct and the extent of the child's injury, if any;

(2) the person's prior history of child abuse or neglect as either a victim or perpetrator;

(3) the person's response to the investigation and willingness to engage in recommended services; and

(4) the person's age and developmental maturity.

(e) The Commissioner shall ~~develop~~ adopt rules for the implementation of a system of Child Protection Registry levels for substantiated cases pursuant to 3 V.S.A. chapter 25. The rules shall address:

(1) when, whether, and how names are placed on the Registry;

(2) standards for determining a child protection level designation;

(3) the length of time a person's name appears on the Registry prior to seeking expungement;

~~(2)~~(4) when and how names are expunged from the Registry;

~~(3)~~(5) whether the person is a juvenile or an adult;

~~(4)~~(6) whether the person was charged with or convicted of a criminal offense arising out of the incident of abuse or neglect; and

~~(5)~~(7) whether a Family Division of the Superior Court has made any findings against the person.

(f) [Repealed.]

Sec. 6. 33 V.S.A. § 4916a is amended to read:

§ 4916a. CHALLENGING ~~PLACEMENT ON THE REGISTRY~~ SUBSTANTIATION

(a) If an investigation conducted in accordance with section 4915b of this title results in a determination that a report of child abuse or neglect should be substantiated, the Department shall notify the person alleged to have abused or neglected a child of the following:

(1) the nature of the substantiation decision, and that the Department intends to enter the record of the substantiation into the Registry;

(2) who has access to Registry information and under what circumstances;

(3) the implications of having one's name placed on the Registry as it applies to employment, licensure, and registration;

(4) the Registry child protection level designation to be assigned to the person and the date that the person is eligible to seek expungement based on the designation level;

(5) the right to request a review of the substantiation determination by an administrative reviewer~~,~~; the time in which the request for review shall be made~~,~~; and the consequences of not seeking a review; ~~and~~

~~(5)~~(6) the right to receive a copy of the Commissioner's written findings made in accordance with subdivision 4916(a)(2) of this title if applicable; and

(7) ways to contact the Department for any further information.

(b) Under this section, notice by the Department to a person alleged to have abused or neglected a child shall be by first-class mail sent to the person's last known mailing address, or if requested by the person, to the person's e-mail address collected during the Department's investigation pursuant to subdivision 4915b(a)(4) of this title. The Department shall maintain a record of the notification, including who sent the notification, the date it is sent, and the address to which it is sent.

(c)(1) A person ~~alleged to have abused or neglected a child~~ whose conduct is the subject of a substantiation determination may seek an administrative review of the Department's ~~intention to place the person's name on the Registry~~ determination by notifying the Department within ~~14~~ 30 days ~~of~~ after the date the Department ~~mailed~~ sent notice of the right to review in accordance with subsections (a) and (b) of this section. The Commissioner may grant an extension past the ~~14-day~~ 30-day period for good cause, not to exceed ~~28~~ 60 days after the Department has ~~mailed~~ sent notice of the right to review.

(2) The administrative review may be stayed upon request of the person ~~alleged to have committed abuse or neglect~~ whose conduct is the subject of a substantiation determination if there is a related case pending in the Criminal or Family Division of the Superior Court that arose out of the same incident of abuse or neglect for which the ~~person~~ person's conduct was substantiated or led to placement on the Registry. During the period the review is stayed, the person's name shall be placed on the Registry. Upon resolution of the Superior Court criminal or family case, the person may exercise ~~his or her~~ the person's right to review under this section by notifying the Department in writing within 30 days after the related court case, including any appeals, has been fully adjudicated. If the person fails to notify the Department within 30 days, the Department's decision shall become final and no further review under this subsection is required.

(d)(1) ~~The~~ Except as provided in this subsection, the Department shall ~~hold~~ schedule an administrative review conference within ~~35~~ 60 days ~~of~~ after receipt of the request for review. At least ~~10~~ 20 days prior to the administrative review conference, the Department shall provide to the person requesting review a copy of the redacted investigation file, which shall contain

sufficient unredacted information to describe the allegations and the evidence relied upon as the basis of the substantiation, notice of time and place of the conference, and conference procedures, including information that may be submitted and mechanisms for providing information. There shall be no subpoena power to compel witnesses to attend a Registry review conference. The Department shall also provide to the person those redacted investigation files that relate to prior investigations that the Department has relied upon to make its substantiation determination in the case in which a review has been requested. If an administrative review conference is not held within 60 days after receipt of the request to review, due to good cause shown, an extension may be authorized by the Commissioner or designee in which the basis of the failure is explained.

(2) The Department may elect to not hold an administrative review conference when a person who has requested a review does not respond to Department requests to schedule the review meeting or does not appear for the scheduled review meeting. In these circumstances, unless good cause is shown, the Department's substantiation shall be accepted and the person's name shall be placed on the Registry, if applicable. Upon the Department's substantiation being accepted, the Department shall provide notice that advises the person of the right to appeal the substantiation determination to the Human Services Board pursuant to section 4916b of this title.

(e) At the administrative review conference, the person who requested the review shall be provided with the opportunity to present documentary evidence or other information that supports ~~his or her~~ the person's position and provides information to the reviewer in making the most accurate decision regarding the allegation. The Department shall have the burden of proving ~~that it has accurately and reliably concluded that a reasonable person would believe~~ by a preponderance of the evidence that the child has been abused or neglected by that person. Upon the person's request or during a declared state of emergency in Vermont, the conference may be held ~~by teleconference~~ through a live, interactive, audio-video connection or by telephone.

(f) The Department shall establish an administrative case review unit within the Department and contract for the services of administrative reviewers. An administrative reviewer shall be a neutral and independent arbiter who has no prior involvement in the original investigation of the allegation. Department information pertaining to the investigation that is obtained by the reviewer outside of the review meeting shall be disclosed to the person seeking the review.

(g) Within seven days ~~of~~ after the conference, the administrative reviewer shall:

(1) reject the Department's substantiation;

(2) accept the Department's substantiation; or

(3) place the substantiation determination on hold and direct the Department to further investigate the case based upon recommendations of the reviewer.

(h) If the administrative reviewer accepts the Department's substantiation, a Registry record shall be made immediately. If the reviewer rejects the Department's substantiation, no Registry record shall be made.

(i) Within seven days ~~of~~ after the decision to reject ~~or,~~ accept, or to place the substantiation on hold in accordance with subsection (g) of this section, the administrative reviewer shall provide notice to the person of ~~his or her~~ the reviewer's decision to the most recent address provided by the person. If the administrative reviewer accepts the Department's substantiation the notice shall advise the person of the right to appeal the administrative reviewer's decision to the human services board in accordance with section 4916b of this title.

* * *

Sec. 7. 33 V.S.A. § 4916b is amended to read:

§ 4916b. HUMAN SERVICES BOARD HEARING

(a) Within 30 days after the date on which the administrative reviewer ~~mailed~~ sent notice ~~of placement of a report on the Registry~~, the person who is the subject of the substantiation may apply in writing to the Human Services Board for relief. The Board shall hold a fair hearing pursuant to 3 V.S.A. § 3091. When the Department receives notice of the appeal, it shall make note in the Registry record that the substantiation has been appealed to the Board.

* * *

Sec. 8. 33 V.S.A. § 4916c is amended to read:

§ 4916c. PETITION FOR EXPUNGEMENT FROM THE REGISTRY

(a)(1) ~~Except as provided in this subdivision~~ Pursuant to rules adopted in accordance with subsection 4916(e) of this title, a person whose name has been placed on the Registry ~~prior to July 1, 2009 and has been listed on the Registry for at least three years~~ may file a written request with the Commissioner, seeking a review for the purpose of expunging an individual Registry record. ~~A person whose name has been placed on the Registry on or after July 1, 2009~~

~~and has been listed on the Registry for at least seven years may file a written request with the Commissioner seeking a review for the purpose of expunging an individual Registry record.~~ The Commissioner shall grant a review upon an eligible person's request.

(2) A person who is required to register as a sex offender on the State's Sex Offender Registry shall not be eligible to petition for expungement of ~~his or her~~ the person's Registry record until the person is no longer subject to Sex Offender Registry requirements.

(b)(1) The person shall have the burden of proving that a reasonable person would believe that ~~he or she~~ the person no longer presents a risk to the safety or well-being of children.

(2) The Commissioner shall consider the following factors in making ~~his or her~~ a determination:

(A) the nature of the substantiation that resulted in the person's name being placed on the Registry;

(B) the number of substantiations;

(C) the amount of time that has elapsed since the substantiation;

(D) the circumstances of the substantiation that would indicate whether a similar incident would be likely to occur;

(E) any activities that would reflect upon the person's changed behavior or circumstances, such as therapy, employment, or education;

(F) references that attest to the person's good moral character; and

(G) any other information that the Commissioner deems relevant.

(3) The Commissioner may deny a petition for expungement based solely on subdivision (2)(A) or (2)(B) of this subsection. The Commissioner's decision to deny an expungement petition shall contain information about how to prepare for future expungement requests.

(c) At the review, the person who requested the review shall be provided with the opportunity to present any evidence or other information, including witnesses, that supports ~~his or her~~ the person's request for expungement. Upon the person's request or during a declared state of emergency in Vermont, the conference may be held ~~by teleconference~~ through a live, interactive, audio-video connection or by telephone.

(d) A person may seek a review under this section ~~no~~ not more than once every 36 months.

(e) Within 30 days ~~of~~ after the date on which the Commissioner ~~mailed~~ sent notice of the decision pursuant to this section, a person may appeal the decision to the Human Services Board. The person shall be prohibited from challenging ~~his or her~~ the substantiation at such hearing, and the sole ~~issue~~ issues before the Board shall be whether the Commissioner abused ~~his or her~~ the Commissioner's discretion in ~~denial of~~ denying the petition for expungement. The hearing shall be on the record below, and determinations of credibility of witnesses made by the Commissioner shall be given deference by the Board.

* * *

Sec. 9. 33 V.S.A. § 4916d is amended to read:

§ 4916d. AUTOMATIC EXPUNGEMENT OF REGISTRY RECORDS

Registry entries concerning a person ~~who~~ whose conduct was substantiated for behavior occurring before the person reached 10 years of age shall be expunged when the person reaches ~~the age of~~ 18 years of age, provided that the person has had no additional substantiated Registry entries. ~~A person substantiated for behavior occurring before the person reached 18 years of age and whose name has been listed on the Registry for at least three years may file a written request with the Commissioner seeking a review for the purpose of expunging an individual Registry record in accordance with section 4916c of this title.~~

Sec. 10. 33 V.S.A. § 4922 is amended to read:

§ 4922. RULEMAKING

(a) ~~The Commissioner shall develop rules to implement this subchapter.~~ On or before September 1, 2025, the Commissioner shall file proposed rules pursuant to 3 V.S.A. chapter 25 implementing the provisions of this subchapter to become effective on April 1, 2026. These shall include:

(1) rules setting forth criteria for determining whether to conduct an assessment or an investigation;

(2) rules setting out procedures for assessment and service delivery;

(3) rules outlining procedures for investigations;

(4) rules for conducting the administrative review conference;

(5) rules regarding access to and maintenance of Department records of investigations, assessments, reviews, and responses; ~~and~~

(6) rules regarding the tiered Registry as required by section 4916 of this title;

(7) rules requiring notice and appeal procedures for alternatives to substantiation; and

(8) rules implementing subsections 4916(c) and (e) of this title.

* * *

Sec. 11. CHILD ABUSE AND NEGLECT; INTERVIEWS; CAPABILITIES; REPORT

(a) On or before November 15, 2024, the Department for Children and Families shall submit a written report to the Senate Committee on Health and Welfare and the House Committee on Human Services examining the Department's capabilities and resources necessary to safely, securely, and confidentially store any interviews recorded during a child abuse and neglect investigation.

(b) The report required pursuant to subsection (a) of this section shall include the Department's proposed model policy detailing the types of interviews that should be recorded and the storage, safety, and confidentiality requirements of such interviews.

Sec. 12. CHILD ABUSE AND NEGLECT; SUBSTANTIATION RECOMMENDATIONS AND CATEGORIES; RULEMAKING; REPORT

(a) On or before October 1, 2025, the Department for Children and Families, in consultation with the Secretary of Human Services, the Agency of Education, the Department of Mental Health, the Vermont Parent Representation Center, and Voices for Vermont's Children, shall submit a written report to the Senate Committee on Health and Welfare and the House Committee on Human Services on the progress towards:

(1) establishing a centralized internal substantiation determination process;

(2) rules establishing substantiation categories that require entry onto the Registry and alternatives to substantiation that do not require entry onto the Registry;

(3) rules creating procedures for how substantiation recommendations are made by the Department district offices and how substantiation determinations are made by the Department central office.

(b) The report required pursuant to subsection (a) of this section shall include legislative recommendations, if any.

(c) On or after January 15, 2026, the Department of Children and Families shall present the report required pursuant subsection (a) of this section to the Senate Committee on Health and Welfare and the House Committee on Human Services.

Sec. 13. EFFECTIVE DATE

This act shall take effect on September 1, 2024.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 745

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to the Vermont Parentage Act

Was taken up for immediate consideration.

The Senate proposed 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.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 794

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to services provided by the Vermont Veterans' Home

Was taken up for immediate consideration.

The Senate proposed 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)

Which proposal of amendment was considered and concurred in.

Recess

At five o'clock and seventeen minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

Called to Order

At seven o'clock and twenty-seven minutes in the evening, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 847

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to peer support provider and recovery support specialist certification

Was taken up for immediate consideration.

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

Sec. 1. 3 V.S.A. § 122 is amended to read:

§ 122. OFFICE OF PROFESSIONAL REGULATION

The Office of Professional Regulation is created within the Office of the Secretary of State. The Office shall have a director who shall be qualified by education and professional experience to perform the duties of the position. The Director of the Office of Professional Regulation shall be a classified position with the Office of the Secretary of State. The following boards or professions are attached to the Office of Professional Regulation:

* * *

(52) Peer support providers

(53) Peer recovery support specialists

Sec. 2. 3 V.S.A. § 123 is amended to read:

§ 123. DUTIES OF OFFICE

* * *

(j)(1) The Office may inquire into the criminal background histories of applicants for initial licensure and for license renewal of any Office-issued credential, including a license, certification, registration, or specialty designation for the following professions:

* * *

(I) speech-language pathologists licensed under 26 V.S.A. chapter 87; ~~and~~

(J) peer support providers and peer recovery support specialists certified under 26 V.S.A. chapter 60; and

(K) individuals registered on the roster of psychotherapists who are nonlicensed and noncertified.

* * *

Sec. 3. 3 V.S.A. § 125 is amended to read:

§ 125. FEES

* * *

(b) Unless otherwise provided by law, the following fees shall apply to all professions regulated by the Director in consultation with advisor appointees under Title 26:

* * *

(2) Application for licensure or certification, $115.00, except application for:

* * *

(Q) Peer support providers or peer recovery support specialists, $50.00.

* * *

(4) Biennial renewal, $275.00, except biennial renewal for:

* * *

(V) Peer support provider or peer recovery support specialist, $50.00.

* * *

Sec. 3a. 3 V.S.A. § 125 is amended to read:

§ 125. FEES

* * *

(b) Unless otherwise provided by law, the following fees shall apply to all professions regulated by the Director in consultation with advisor appointees under Title 26:

* * *

(2) Application for licensure or certification, $115.00, except application for:

* * *

(Q) Peer support providers or peer recovery support specialists, ~~$50.00~~ $75.00.

* * *

Sec. 4. 26 V.S.A. chapter 60 is added to read:

CHAPTER 60. PEER SUPPORT PROVIDERS AND PEER RECOVERY SUPPORT SPECIALISTS

§ 3191. DEFINITIONS

As used in this chapter:

(1) "Certified peer support provider" means an individual who holds a certificate to engage in the practice of peer support services under this chapter.

(2) "Certified peer recovery support specialist" means an individual who holds a certificate to engage in the practice of recovery support services under this chapter.

(3) "Code of Ethics for Certified Peer Support Providers" means the code of ethics for certified peer support providers approved and adopted by the Department of Mental Health.

(4) "Code of Ethics for Certified Peer Recovery Support Specialists" means the code of ethics for certified peer recovery support specialists approved and adopted by the Department of Health.

(5) "Office" means the Office of Professional Regulation.

(6) "Peer support provider credentialing body" means the entity authorized by the Department of Mental Health to, in addition to other duties:

(A) issue credentials to peer support providers to demonstrate that a peer support provider has met the qualifications for certification under the chapter; and

(B) approve acceptable continuing education courses.

(7) "Peer support" means the provision of those services that address mutually agreeable issues or areas of life consistent with the Code of Ethics for Certified Peer Support Providers that are reasonably related to increasing an individual's capacity to live a self-determined life of their own choosing and that are provided in a mutual relationship between individuals with a lived experience of trauma, mental health, or substance use challenges. "Peer support" emphasizes a nonjudgmental, values-driven approach that promotes multiple perspectives, advocates for human rights and dignity, and focuses on genuine, mutual relationships that enrich the lives of those involved. "Peer support" includes providing health and wellness supports; supporting individuals in accessing community-based resources and navigating State and local systems; providing employment supports, including transitioning into and staying in the workforce; and promoting empowerment and a sense of hope through self-advocacy. "Peer support" does not include the provision of psychotherapy as defined in section 4082 of this title.

(8) "Practice of peer support" means the provision of peer support in a manner consistent with the Code of Ethics for Certified Peer Support Providers.

(9) "Practice of recovery support services" means the provision of recovery support services in a manner consistent with the Code of Ethics for Certified Peer Recovery Support Specialists.

(10) "Recovery support services" means a set of culturally competent, nonclinical, evidence-based activities provided consistent with the Code of Ethics for Certified Peer Recovery Support Specialists and coordinated through a written individualized recovery plan of care that documents a substance use disorder and reflects the need and preferences of the individual in achieving the specific, individualized, measurable goals specified in the plan. "Recovery support services" are provided in a mutual relationship by an individual with lived experience of either recovery from a substance use disorder or having a close relationship with an individual in recovery from a substance use disorder, and include a range of social and other services that facilitate recovery from substance use disorder, support health and wellness, and link individuals with service providers and other supports shown to improve quality of life for persons, and their families, in and seeking recovery from substance use. "Recovery support services" do not include the provision of psychotherapy as defined in section 4082 of this title.

(11) "Peer recovery support specialist credentialing body" means the entity authorized by the Department of Health to, in addition to other duties:

(A) issue credentials to peer recovery support specialists to demonstrate that a peer recovery support specialist has met qualifications for certification under this chapter; and

(B) approve acceptable continuing education courses.

§ 3192. PROHIBITIONS; PENALTIES

(a) Nothing in this subchapter shall be construed to prohibit the practice of peer support by a noncertified provider. However, a person shall not use in connection with the person's name any letters, words, or insignia indicating or implying that the person is a certified peer support provider unless that person is certified in accordance with this chapter.

(b) Nothing in this subchapter shall be construed to prohibit the practice of recovery support services by a noncertified provider. However, a person shall not use in connection with person's name any letters, words, or insignia indicating or implying that the person is a certified peer recovery support specialist unless that person is certified in accordance with this chapter.

(c) A person who violates this section shall be subject to the penalties provided in 3 V.S.A. § 127(c).

§ 3193. DUTIES OF THE DIRECTOR

(a) The Director shall:

(1) provide general information to applicants for certification as certified peer support providers or certified peer recovery support specialists, or both;

(2) receive applicants for certification; grant and renew certifications in accordance with this chapter; and deny, revoke, suspend, reinstate, or condition certifications as directed by an administrative law officer;

(3) explain appeal procedures to certified peer support providers, certified peer recovery support specialists, and applicants;

(4) explain complaint procedures to the public;

(5) administer fees collected in accordance with this chapter and 3 V.S.A. § 125; and

(6) refer all disciplinary matters to an administrative law officer established under 3 V.S.A. § 129(j).

(b) After consultation with the Commissioners of Health and of Mental Health, the Director shall adopt and amend rules as necessary pursuant to 3 V.S.A. chapter 25 to perform the Director's duties under this chapter.

§ 3194. ADVISOR APPOINTEES

(a)(1) After consultation with the Commissioners of Health and of Mental Health, the Secretary of State shall appoint two certified peer support providers, two certified peer recovery support specialists, one representative from the Department of Health, and one representative from the Department of Mental Health to serve as advisors to the Director in matters relating to peer support and recovery support. Advisors shall be appointed to five-year staggered terms to serve as advisors in matters related to the administration of this chapter. At least one of the initial appointments shall be less than a five-year term.

(2) A certified peer support provider serving as an advisor shall:

(A) have at least three years' experience as a peer support provider immediately preceding appointment;

(B) be certified as a peer support provider in Vermont at the time of appointment and during incumbency; and

(C) remain actively engaged in the practice of peer support in this State during incumbency.

(3) A certified peer recovery support specialist serving as an advisor shall:

(A) be certified as a peer recovery support specialist in Vermont at the time of appointment and during incumbency; and

(B) remain actively engaged in the practice of recovery support services in this State during incumbency.

(b) The Director shall seek the advice of the advisor appointees in carrying out the provisions of this chapter. Advisors who are not employed by the State shall be entitled to compensation and necessary expenses in the amount provided in 32 V.S.A. § 1010 for attendance at any meeting called by the Director for this purpose.

§ 3195. ELIGIBILITY

(a) To be eligible for certification as a certified peer support provider, an applicant shall complete and submit an application in the manner as the Director prescribes in rule, accompanied by the applicable fees, and evidence satisfactory to the Director that the applicant:

(1) is at least 18 years of age;

(2) has received a credential from the peer support provider credentialing body; and

(3) has passed registry checks and criminal history checks that may be required in rule.

(b) To be eligible for certification as a peer recovery support specialist, an applicant shall complete and submit an application in the manner as the Director prescribes by the rule, accompanied by the applicable fees, and evidence satisfactory to the Director that the applicant:

(1) is at least 18 years of age;

(2) has received a credential from the peer recovery support specialist credentialing body; and

(3) has passed registry checks and criminal history checks that may be required in rule.

§ 3196. CERTIFICATE RENEWAL

A peer support specialist provider certification and a peer recovery support specialist certification shall be renewed every two years upon application, payment of the required fee in accordance with 3 V.S.A. § 125, and proof of compliance with such continuing education or periodic reexamination

requirements established in rule. The fee shall be paid biennially upon renewal.

§ 3197. UNPROFESSIONAL CONDUCT

(a) Unprofessional conduct means misusing a title in professional activity and any of the conduct listed in 3 V.S.A. § 129a, whether committed by a certified peer support provider, a certified peer recovery support specialist, or an applicant.

(b) The Office may discipline a certified peer support provider or a certified peer recovery support specialist for unprofessional conduct as provided in 3 V.S.A. § 129a.

Sec. 5. RULEMAKING; PEER SUPPORT PROVIDERS AND PEER RECOVERY SUPPORT SPECIALISTS

On or before September 1, 2024, the Director of Professional Regulation shall file an initial proposed rule with the Secretary of State pursuant to

3 V.S.A. § 836(a)(2) for the purposes of carrying out the provisions of 26 V.S.A. chapter 60.

Sec. 6. EFFECTIVE DATES

This act shall take effect on July 1, 2025, except:

(1) this section and Sec. 5 (rulemaking; peer support providers and peer recovery support specialists) shall take effect on passage; and

(2) Sec. 3a (fees) shall take effect on July 1, 2027.

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

An act relating to peer support provider and peer recovery support specialist certification

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 871

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to the development of an updated State aid to school construction program

Was taken up for immediate consideration.

The Senate proposed 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 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. These payments shall be made from monies appropriated to the General Assembly.

Sec. 5. [Deleted.]

* * * 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.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment to House Proposal of Amendment Concurred in

S. 30

On motion of **Rep. McCoy of Poultney**, the rules were suspended and Senate bill, entitled

An act relating to creating a Sister State Program

Appearing on the Calendar for Notice, was taken up for immediate consideration.

The Senate concurred in the House proposal of amendment thereto 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.

Which proposal of amendment was considered and concurred in.

Recess; Proposal of Amendment Amended; Senate Proposal of Amendment Concurred in with Further Proposal of Amendment Thereto

H. 687

The Senate proposed to the House to amend House bill, entitled

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

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

* * * Act 250 * * *

Sec. 1. 10 V.S.A. § 6000 is added to read:

§ 6000. PURPOSE; CONSTRUCTION

The purposes of this chapter are to protect and conserve the environment of the State and to support the achievement of the goals of the Capability and

Development Plan, of 24 V.S.A. § 4302(c), and of the conservation vision and goals for the State established in section 2802 of this title, while supporting equitable access to infrastructure, including housing.

Sec. 2. 10 V.S.A. § 6021 is amended to read:

§ 6021. BOARD; VACANCY~~,~~; REMOVAL

(a) ~~A Natural Resources~~ Board established. The Land Use Review Board is created.

(1) The Board shall consist of five members appointed by the Governor~~,~~ after review and approval by the Land Use Review Board Nominating Committee in accordance with subdivision (2) of this subsection and confirmed with the advice and consent of the Senate, so that one appointment expires in each year. The Chair and the other four members shall be full-time positions. In making these appointments, the Governor and the Senate shall give consideration to candidates who have experience, expertise, or skills relating to ~~the environment or land use~~ one or more of the following areas: environmental science; land use law, policy, planning, and development; and community planning. All candidates shall have a commitment to environmental justice.

(A) The Governor shall appoint a chair of the Board, a position that shall be a full-time position. The Governor shall ensure Board membership reflects, to the extent possible, the racial, ethnic, gender, and geographic diversity of the State. The Board shall not contain two members who reside in the same county.

(B) Following initial appointments, the members~~, except for the Chair,~~ shall be appointed for terms of ~~four~~ five years. All terms shall begin on July 1 and expire on June 30. A member may continue serving until a successor is appointed. The initial appointments shall be for staggered terms of one year, two years, three years, four years, and five years.

(2) ~~The Governor shall appoint up to five persons, with preference given to former Environmental Board, Land Use Review Board, or District Commission members, with the advice and consent of the Senate, to serve as alternates for Board members.~~

(A) ~~Alternates shall be appointed for terms of four years, with initial appointments being staggered~~ The Land Use Review Board Nominating Committee shall advertise the position when a vacancy will occur on the Land Use Review Board.

(B) ~~The Chair of the Board may assign alternates to sit on specific matters before the Board in situations where fewer than five members are available to serve~~ The Nominating Committee shall review the applicants to determine which are well qualified for appointment to the Board and shall recommend those candidates to the Governor. The names of candidates shall be confidential.

(C) The Governor shall appoint, with the advice and consent of the Senate, a chair and four members of the Board from the list of well-qualified candidates sent to the Governor by the Committee.

(b) ~~Any vacancy occurring in the membership of the Board shall be filled by the Governor for the unexpired portion of the term~~ Terms; vacancy; succession. The term of each appointment subsequent to the initial appointments described in subsection (a) of this section shall be five years. Any appointment to fill a vacancy shall be for the unexpired portion of the term vacated. A member may seek reappointment by informing the Governor. If the Governor decides not to reappoint the member, the Nominating Committee shall advertise the vacancy.

(c) Removal. Notwithstanding the provisions of 3 V.S.A. § 2004, members shall only be removable for cause ~~only, except the Chair, who shall serve at the pleasure of the Governor~~ by the remaining members of the Board. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.

(d) Disqualified members. The Chair of the Board, upon request of the Chair of a District Commission, may appoint and assign former Commission members to sit on specific Commission cases when some or all of the regular members and alternates of the District Commission are disqualified or otherwise unable to serve. If necessary to achieve a quorum, the Chair of the Board may appoint a member of a District Commission who has not worked on the case to sit on a specific case before the Board.

(e) Retirement from office. When a Board member who hears all or a substantial part of a case retires from office before the case is completed, the member may remain a member of the Board, at the member's discretion, for the purpose of concluding and deciding that case and signing the findings and judgments involved. A retiring chair shall also remain a member for the purpose of certifying questions of law if a party appeals to the Supreme Court. For the service, the member shall receive a reasonable compensation to be fixed by the remaining members of the Board and necessary expenses while on official business.

Sec. 3. 10 V.S.A. § 6032 is added to read:

§ 6032. LAND USE REVIEW BOARD NOMINATING COMMITTEE

(a) Creation. The Land Use Review Board Nominating Committee is created for the purpose of assessing the qualifications of applicants for appointment to the Land Use Review Board in accordance with section 6021 of this title.

(b) Members. The Committee shall consist of six members who shall be appointed by July 31, 2024 as follows:

(1) The Governor shall appoint two members from the Executive Branch, with at least one being an employee of the Department of Human Resources.

(2) The Speaker of the House of Representatives shall appoint two members from the House of Representatives.

(3) The Senate Committee on Committees shall appoint two members from the Senate.

(c) Terms. The members of the Committee shall serve for terms of two years. Members shall serve until their successors are appointed. Members shall serve not more than three consecutive terms. A legislative member who is appointed as a member of the Committee shall retain the position for the term appointed to the Committee even if the member is subsequently not reelected to the General Assembly during the member's term on the Committee.

(d) Chair. The members shall elect their own chair.

(e) Quorum. A quorum of the Committee shall consist of four members.

(f) Staff and services. The Committee is authorized to use the staff and services of appropriate State Agencies and Departments as necessary to conduct investigations of applicants.

(g) Confidentiality. Except as provided in subsection (h) of this section, proceedings of the Committee, including the names of candidates considered by the Committee and information about any candidate submitted to the Governor, shall be confidential. The provisions of 1 V.S.A. § 317(e) (expiration of Public Records Act exemptions) shall not apply to the exemptions or confidentiality provisions in this subsection.

(h) Public information. The following shall be public:

(1) operating procedures of the Committee;

(2) standard application forms and any other forms used by the Committee, provided they do not contain personal information about a candidate or confidential proceedings;

(3) all proceedings of the Committee prior to the receipt of the first candidate's completed application; and

(4) at the time the Committee sends the names of the candidates to the Governor, the total number of applicants for the vacancies and the total number of candidates sent to the Governor.

(i) Reimbursement. Legislative members of the Committee shall be entitled to per diem compensation and reimbursement for expenses in accordance with 32 V.S.A. § 1010. Compensation and reimbursement shall be paid from the legislative appropriation.

(j) Duties.

(1) When a vacancy occurs, the Committee shall review applicants to determine which are well qualified for the Board and submit those names to the Governor. The Committee shall submit to the Governor a summary of the qualifications and experience of each candidate whose name is submitted to the Governor together with any further information relevant to the matter.

(2) An applicant for the position of member of the Land Use Review Board shall not be required to be an attorney. If the candidate is admitted to practice law in Vermont or practices a profession requiring licensure, certification, or other professional regulation by the State, the Committee shall submit the candidate's name to the Court Administrator or the applicable State professional regulatory entity, and that entity shall disclose to the Committee any professional disciplinary action taken or pending concerning the candidate.

(3) Candidates shall be sought who have experience, expertise, or skills relating to one or more of the following areas: environmental science; land use law, policy, planning, and development; and community planning. All candidates shall have a commitment to environmental justice.

(4) The Committee shall ensure a candidate possesses the following attributes:

(A) Integrity. A candidate shall possess a record and reputation for excellent character and integrity.

(B) Impartiality. A candidate shall exhibit an ability to make determinations in a manner free of bias.

(C) Work ethic. A candidate shall demonstrate diligence.

(D) Availability. A candidate shall have adequate time to dedicate to the position.

(5) The Committee shall require candidates to disclose to the Committee their financial interests and potential conflicts of interest.

Sec. 4. 10 V.S.A. § 6025 is amended to read:

§ 6025. RULES

(a) The Board may adopt rules of procedure for itself and the District Commissions. The Board's procedure for approving regional plans and regional plan maps, which may be adopted as rules or issued as guidance, shall ensure that the maps are consistent with legislative intent as expressed in section 2802 of this title and 24 V.S.A. §§ 4302 and 4348a.

* * *

Sec. 5. 10 V.S.A. § 6027 is amended to read:

§ 6027. POWERS

(a) The Board and District Commissions ~~each~~ shall have supervisory authority in environmental matters respecting projects within their jurisdiction and shall apply their independent judgment in determining facts and interpreting law. Each shall have the power, with respect to any matter within its jurisdiction, to:

(1) administer oaths, take depositions, subpoena and compel the attendance of witnesses, and require the production of evidence;

(2) allow parties to enter upon lands of other parties for the purposes of inspecting and investigating conditions related to the matter before the Board or Commission;

(3) enter upon lands for the purpose of conducting inspections, investigations, examinations, tests, and site evaluations as it deems necessary to verify information presented in any matter within its jurisdiction; and

(4) apply for and receive grants from the federal government and from other sources.

(b) The powers granted under this chapter are additional to any other powers ~~which~~ that may be granted by other legislation.

(c) The ~~Natural Resources~~ Board may designate or establish ~~such~~ regional offices as it deems necessary to implement the provisions of this chapter and the rules adopted ~~hereunder~~. The ~~Natural Resources~~ Board may designate or require a regional planning commission to receive applications, provide administrative assistance, perform investigations, and make recommendations.

(d) At the request of a District Commission, if the Board Chair determines that the workload in the requesting district is likely to result in unreasonable delays or that the requesting District Commission is disqualified to hear a case, the Chair may authorize the District Commission of another district to sit in the requesting district to consider one or more applications.

(e) The ~~Natural Resources~~ Board may by rule allow joint hearings to be conducted with specified State agencies or specified municipalities.

(f) The Board may publish online or contract to publish annotations and indices of the decisions of the Environmental Division and the text of those decisions. The published product shall be available at a reasonable rate to the general public and at a reduced rate to libraries and governmental bodies within the State.

(g) The ~~Natural Resources~~ Board shall manage the process by which land use permits are issued under section 6086 of this title, may initiate enforcement on related matters under the provisions of chapters 201 and 211 of this title, and may petition the Environmental Division for revocation of land use permits issued under this chapter. Grounds for revocation are:

(1) noncompliance with this chapter, rules adopted under this chapter, or an order that is issued that relates to this chapter;

(2) noncompliance with any permit or permit condition;

(3) failure to disclose all relevant and material facts in the application or during the permitting process;

(4) misrepresentation of any relevant and material fact at any time;

(5) failure to pay a penalty or other sums owed pursuant to, or other failure to comply with, court order, stipulation agreement, schedule of compliance, or other order issued under Vermont statutes and related to the permit; or

(6) failure to provide certification of construction costs, as required under subsection 6083a(a) of this title, or failure to pay supplemental fees as required under that section.

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

(i) The Chair, subject to the direction of the Board, shall have general charge of the offices and employees of the Board and the offices and employees of the District Commissions.

(j) The ~~Natural Resources~~ Board may participate as a party in all matters before the Environmental Division that relate to land use permits issued under this chapter.

(k) The Board shall review applications for Tier 1A areas and approve or disapprove based on whether the application demonstrates compliance with the requirements of section 6034 of this title. The Board shall produce guidelines for municipalities seeking to obtain the Tier 1A area status.

* * *

(n) The Board shall review for compliance regional plans and the future land use maps, including proposed Tier 1B areas, developed by the regional planning commissions pursuant to 24 V.S.A. § 4348a.

Sec. 6. 10 V.S.A. § 6022 is amended to read:

§ 6022. PERSONNEL

(a) Regular personnel. The Board may appoint legal counsel, scientists, engineers, experts, investigators, temporary employees, and administrative personnel as it finds necessary in carrying out its duties~~, unless the Governor shall otherwise provide~~ in providing personnel to assist the District Commissions and in investigating matters within its jurisdiction.

(b) Executive Director. The Board shall appoint an Executive Director. The Director shall be a full-time State employee, shall be exempt from the State classified system, and shall serve at the pleasure of the Board. The Director shall be responsible for:

(1) supervising and administering the operation and implementation of this chapter and the rules adopted by the Board as directed by the Board;

(2) assisting the Board in its duties and administering the requirements of this chapter; and

(3) employing any staff as may be required to carry out the functions of the Board.

Sec. 7. 10 V.S.A. § 6084 is amended to read:

§ 6084. NOTICE OF APPLICATION; HEARINGS; COMMENCEMENT OF REVIEW

(a) ~~On or before the date of~~ Upon the filing of an application with the District Commission, the ~~applicant~~ District Commission shall send, by electronic means, notice ~~and a copy~~ of the ~~initial~~ application to the owner of the land if the applicant is not the owner; the municipality in which the land is located; the municipal and regional planning commissions for the municipality

in which the land is located; the Vermont Agency of Natural Resources; and any adjacent Vermont municipality and municipal and regional planning commission if the land is located on a municipal or regional boundary. The ~~applicant shall furnish to the~~ District Commission ~~the names of those furnished notice by affidavit, and~~ shall ~~post~~ send by electronic means a copy of the notice ~~in~~ to the town clerk's office of the town or towns in which the project lies. The town clerk shall post the notice in the town office. The applicant shall also provide a list of adjoining landowners to the District Commission. Upon request and for good cause, the District Commission may authorize the applicant to provide a partial list of adjoining landowners in accordance with Board rules.

* * *

(e) Any notice for a major or minor application~~,~~ as required by this section~~,~~ shall also be published by the District Commission in a local newspaper generally circulating in the area where the development or subdivision is located and on the Board's website not more than ~~ten~~ 10 days after receipt of a complete application.

* * *

(f) The applicant shall post a sign provided by the District Commission on the subject property in a visible location 14 days prior to the hearing on the application and until the permit is issued or denied. The District Commission shall provide the sign that shall include a general description of the project, the date and place of the hearing, the identification number of the application and the internet address, and the contact information for the District Commission. The design of the signs shall be consistent throughout the State and prominently state "This Property has applied for an Act 250 Permit."

* * *

Sec. 8. 10 V.S.A. § 6086(h) is added to read:

(h) Compliance self-certification. The District Commission may require that a person who receives a permit under this chapter report on a regular schedule to the District Commission on whether or not the person has complied with and is in compliance with the conditions required in that permit. The report shall be made on a form provided by the Board and shall be notarized and contain a self-certification to the truth of statements.

Sec. 9. 10 V.S.A. § 6083a is amended to read:

§ 6083a. ACT 250 FEES

* * *

(i) Any municipality filing an application for a Tier 1A area status shall pay a fee of $295.00.

(j) Any regional planning commission filing a regional plan or future land use map to be reviewed by the Board shall pay a fee of $295.00.

* * * Transition; Revision authority * * *

Sec. 10. LAND USE REVIEW BOARD POSITIONS; APPROPRIATION

(a) The following new positions are created at the Land Use Review Board for the purposes of carrying out this act:

(1) one Staff Attorney; and

(2) four full-time Land Use Review Board members.

(b) In fiscal year 2025, $56,250.00 is appropriated from the General Fund to the Land Use Review Board for the attorney positions established in subdivision (a)(1) of this section.

Sec. 11. LAND USE REVIEW BOARD APPOINTMENTS; REVISION AUTHORITY

(a) The Governor shall appoint the members of Land Use Review Board on or before July 1, 2025, and the terms of any Land Use Review Board member not appointed consistent with the requirements of 10 V.S.A. § 6021(a)(1)(A) or (B) shall expire on that day.

(b) As of July 1, 2025, all appropriations and employee positions of the Natural Resources Board are transferred to the Land Use Review Board.

(c) In preparing the Vermont Statutes Annotated for publication in 2025, the Office of Legislative Counsel shall replace all references to the "Natural Resources Board" with the "Land Use Review Board" in Title 3, Title 10, Title 24, Title 29, Title 30, and Title 32.

Sec. 11a. ACT 250 APPEALS STUDY

(a) On or before January 15, 2026, the Land Use Review Board shall issue a report evaluating whether to transfer appeals of permit decisions and jurisdictional opinions issued pursuant to 10 V.S.A. chapter 151 to the Land Use Review Board or whether they should remain at the Environmental Division of the Superior Court. The Board shall convene a stakeholder group that at a minimum shall be composed of a representative of environmental

interests, attorneys that practice environmental and development law in Vermont, the Vermont League of Cities and Towns, the Vermont Association of Planning and Development Agencies, the Vermont Chamber of Commerce, the Land Access and Opportunity Board, the Office of Racial Equity, the Vermont Association of Realtors, a representative of non-profit housing development interests, a representative of for-profit housing development interests, a representative of commercial development interests, an engineer with experience in development, the Agency of Commerce and Community Development, and the Agency of Natural Resources in preparing the report. The Board shall provide notice of the stakeholder meetings on its website and each meeting shall provide time for public comment.

(b) The report shall at minimum recommend:

(1) whether to allow consolidation of appeals at the Board, or with the Environmental Division of the Superior Court, and how, if transferred to the Board, appeals of permit decisions issued under 24 V.S.A. chapter 117 and the Agency of Natural Resources can be consolidated with Act 250 appeals;

(2) how to prioritize and expedite the adjudication of appeals related to housing projects, including the use of hearing officers to expedite appeals and the setting of timelines for processing of housing appeals;

(3) procedural rules to govern the Board's administration of Act 250 and the adjudication of appeals of Act 250 decisions. These rules shall include procedures to create a firewall and eliminate any potential for conflicts with the Board managing appeals and issuing permit decisions and jurisdictional opinions; and

(4) other actions the Board should take to promote the efficient and effective adjudication of appeals, including any procedural improvements to the Act 250 permitting process and jurisdictional opinion appeals.

(c) The report shall be submitted to the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy and the House Committee on Environment and Energy.

* * * Forest Blocks * * *

Sec. 12. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(47) "Habitat connector" means land or water, or both, that links patches of habitat within a landscape, allowing the movement, migration, and dispersal

of wildlife and plants and the functioning of ecological processes. A habitat connector may include features including recreational trails and improvements constructed for farming, logging, or forestry purposes.

(48) "Forest block" means a contiguous area of forest in any stage of succession and not currently developed for nonforest use. A forest block may include features including recreational trails, wetlands, or other natural features that do not themselves possess tree cover and improvements constructed for farming, logging, or forestry purposes.

(49) "Habitat" means the physical and biological environment in which a particular species of plant or wildlife lives.

Sec. 13. 10 V.S.A. § 6086(a)(8) is amended to read:

(8) Ecosystem protection; scenic beauty; historic sites.

(A) Scenic beauty, historic sites, and rare and irreplaceable natural areas. Will not have an undue adverse effect on the scenic or natural beauty of the area, aesthetics, historic sites, or rare and irreplaceable natural areas.

~~(A)~~(B) Necessary wildlife habitat and endangered species. A permit will not be granted if it is demonstrated by any party opposing the applicant that a development or subdivision will destroy or significantly imperil necessary wildlife habitat or any endangered species~~; and~~:

(i) the economic, social, cultural, recreational, or other benefit to the public from the development or subdivision will not outweigh the economic, environmental, or recreational loss to the public from the destruction or imperilment of the habitat or species; ~~or~~

(ii) all feasible and reasonable means of preventing or lessening the destruction, diminution, or imperilment of the habitat or species have not been or will not continue to be applied; or

(iii) a reasonably acceptable alternative site is owned or controlled by the applicant which would allow the development or subdivision to fulfill its intended purpose.

(C) Forest blocks and habitat connectors. A permit will not be granted for a development or subdivision within or partially within a forest block or habitat connector unless the applicant demonstrates that a project will not result in an undue adverse impact on the forest block or habitat connector. If a project as proposed would result in an undue adverse impact, a permit may only be granted if effects are avoided, minimized, or mitigated as allowed in accordance with rules adopted by the Board.

Sec. 14. CRITERION 8(C) RULEMAKING

(a) The Land Use Review Board (Board), in collaboration with the Agency of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6086(a)(8)(C). It is the intent of the General Assembly that these rules discourage fragmentation of the forest blocks and habitat connectors by encouraging clustering of development. Rules adopted by the Board shall include:

(1) How forest blocks and habitat connectors are further defined, including their size, location, and function, which may include:

(A) information that will be available to the public to determine where forest blocks and habitat connectors are located; or

(B) advisory mapping resources, how they will be made available, how they will be used, and how they will be updated.

(2) Standards establishing how impacts can be avoided or minimized, including how fragmentation of forest blocks or habitat connectors is avoided or minimized, which may include steps to promote proactive site design of buildings, roadways and driveways, utility location, and location relative to existing features such as roads, tree lines, and fence lines.

(3)(A) As used in this section, "fragmentation" generally means dividing land that has naturally occurring vegetation and ecological processes into smaller areas as a result of land uses that remove vegetation and create physical barriers that limit species' movement and interrupt ecological processes between previously connected natural vegetation. However, the rules shall further define "fragmentation" for purposes of avoiding, minimizing, and mitigating undue adverse impacts on forest blocks and habitat connectors. "Fragmentation" does not include the division or conversion of a forest block or habitat connector by an unpaved recreational trail or by improvements constructed for farming, logging, or forestry purposes below the elevation of 2,500 feet.

(B) As used in this subsection (a), "recreational trail" has the same meaning as "trails" in 10 V.S.A. § 442.

(4) Criteria to identify the circumstances when a forest block or habitat connector is eligible for mitigation. As part of this, the criteria shall identify the circumstances when the function, value, unique sensitivity, or location of the forest block or habitat connector would not allow mitigation.

(5) Standards for how impacts to a forest block or habitat connector may be mitigated. Standards may include:

(A) appropriate ratios for compensation;

(B) appropriate forms of compensation such as conservation easements, fee interests in land, and other forms of compensation; and

(C) appropriate uses of on-site and off-site mitigation.

(b) The Board shall convene a working group of stakeholders to provide input to the rule prior to prefiling with the Interagency Committee on Administrative Rules. The Board shall convene the working group on or before July 1, 2025.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before June 15, 2026.

Sec. 15. 10 V.S.A. § 127 is amended to read:

§ 127. RESOURCE MAPPING

(a) ~~On or before January 15, 2013, the~~ The Secretary of Natural Resources shall complete and maintain resource mapping based on the Geographic Information System (GIS) or other technology. The mapping shall identify natural resources throughout the State, including forest blocks and habitat connectors, that may be relevant to the consideration of energy projects and projects subject to chapter 151 of this title. The Center for Geographic Information shall be available to provide assistance to the Secretary in carrying out the ~~GIS-based~~ resource mapping.

(b) The Secretary ~~of Natural Resources~~ shall consider the ~~GIS-based~~ resource maps developed under subsection (a) of this section when providing evidence and recommendations to the Public Utility Commission under 30 V.S.A. § 248(b)(5) and when commenting on or providing recommendations under chapter 151 of this title to District Commissions on other projects.

(c) The Secretary shall establish and maintain written procedures that include a process and science-based criteria for updating resource maps developed under subsection (a) of this section. Before establishing or revising these procedures, the Secretary shall provide opportunities for affected parties and the public to submit relevant information and recommendations.

* * * Wood Products Manufacturers * * *

Sec. 16. 10 V.S.A. § 6093 is amended to read:

§ 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

(a) Mitigation for loss of primary agricultural soils. Suitable mitigation for the conversion of primary agricultural soils necessary to satisfy subdivision 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.

* * *

(5) Wood products manufacturers. Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils by a wood products manufacturing facility shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1 protected acres to acres of affected primary agricultural soil.

* * *

* * * Accessory on-farm businesses * * *

Sec. 17. 24 V.S.A. § 4412(11) is amended to read:

(11) Accessory on-farm businesses. No bylaw shall have the effect of prohibiting an accessory on-farm business at the same location as a farm.

(A) Definitions. As used in this subdivision (11):

(i) "Accessory on-farm business" means activity ~~that is accessory to~~ on a farm, the revenues of which may exceed the revenues of the farming operation, and comprises one or both of the following:

(I) The storage, preparation, processing, and sale of qualifying products, provided that ~~more than 50 percent of the total annual sales are from~~ the qualifying products ~~that~~ are produced on ~~the~~ a farm ~~at which the business is located~~; the sale of products that name, describe, or promote the farm or accessory on-farm business, including merchandise or apparel that features the farm or accessory on-farm business; or the sale of bread or baked goods.

* * *

(iv) "Qualifying product" means a product that is ~~wholly~~:

(I) an agricultural, horticultural, viticultural, or dairy commodity, or maple syrup;

(II) livestock or cultured fish or a product thereof;

(III) a product of poultry, bees, an orchard, or fiber crops;

(IV) a commodity otherwise grown or raised on a farm; or

(V) a product manufactured on one or more farms from commodities wholly grown or raised on one or more farms.

* * *

Sec. 18. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

* * *

(t) No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the storage or sale of qualifying products or the other eligible enumerated products as defined in 24 V.S.A. § 4412(11)(A)(i)(I). No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the preparation or processing of qualifying products as defined in 24 V.S.A. § 4412(11)(A)(i)(I), provided that more than 50 percent of the total annual sales of the prepared or processed qualifying products come from products produced on the farm where the business is located. This subsection shall not apply to the construction of improvements related to hosting events or farm stays as part of an accessory on-farm business as defined in 24 V.S.A. § 4412(11)(A)(i)(II).

* * *

* * * Road Rule * * *

Sec. 19. 10 V.S.A. § 6001(3)(A)(xii) is added to read:

(xii) The construction of a road or roads and any associated driveways to provide access to or within a tract of land owned or controlled by a person. For the purposes of determining jurisdiction under this subdivision, any new development or subdivision on a parcel of land that will be provided access by the road and associated driveways is land involved in the construction of the road.

(I) Jurisdiction under this subdivision shall not apply unless the length of any single road is greater than 800 feet, or the length of all roads and any associated driveways in combination is greater than 2,000 feet.

(II) As used in this subdivision (xii), "roads" include any new road or improvement to a class 4 town highway by a person other than a municipality, including roads that will be transferred to or maintained by a municipality after their construction or improvement.

(III) For the purpose of determining the length of any road and associated driveways, the length of all other roads and driveways within the tract of land constructed after July 1, 2026 shall be included.

(IV) This subdivision (xii) shall not apply to:

(aa) a State or municipal road, a utility corridor of an electric transmission or distribution company, or a road used primarily for farming or forestry purposes; and

(bb) development within a Tier 1A area established in accordance with section 6034 of this title or a Tier 1B area established in accordance with section 6033 of this title

(V) The conversion of a road used for farming or forestry purposes that also meets the requirements of this subdivision (xii) shall constitute development.

(VI) The intent of this subdivision (xii) is to encourage the design of clustered subdivisions and development that does not fragment Tier 2 areas or Tier 3 areas.

Sec. 20. RULEMAKING; ROAD CONSTRUCTION

The Natural Resources Board may adopt rules after consulting with stakeholders, providing additional specificity to the necessary elements of 10 V.S.A. § 6001(3)(A)(xii). It is the intent of the General Assembly that any rules encourage the design of clustered subdivisions and development that does not fragment Tier 2 areas or Tier 3 areas.

* * * Location-Based Jurisdiction * * *

Sec. 21. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(3)(A) "Development" means each of the following:

(i) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than 10 acres of land within a radius of five miles of any point on any involved land, for commercial or industrial purposes in a municipality that has adopted permanent zoning and subdivision bylaws.

(ii) The construction of improvements on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a radius of five miles of any point on any involved land, for commercial or

industrial purposes in a municipality that has not adopted permanent zoning and subdivision bylaws.

(iii) The construction of improvements for commercial or industrial purposes on a tract or tracts of land, owned or controlled by a person, involving more than one acre of land within a municipality that has adopted permanent zoning and subdivision bylaws, if the municipality in which the proposed project is located has elected by ordinance, adopted under 24 V.S.A. chapter 59, to have this jurisdiction apply.

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. However:

* * *

(vi) The construction of improvements for commercial, industrial, or residential use at or above the elevation of 2,500 feet.

* * *

(xiii) The construction of improvements for commercial, industrial, or residential purposes in a Tier 3 area as determined by rules adopted by the Board.

* * *

(45) "Tier 2" means an area that is not a Tier 1 area or a Tier 3 area.

(46) "Tier 3" means an area consisting of critical natural resources defined by the rules of the Board. The Board's rules shall at a minimum determine whether and how to protect river corridors, headwater streams, habitat connectors of statewide significance, riparian areas, class A waters, natural communities, and other critical natural resources.

Sec. 22. TIER 3 RULEMAKING

(a) The Natural Resources Board, in consultation with the Secretary of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6001(3)(A)(xiii) and 10 V.S.A. § 6001(46). It is the intent of the General Assembly that these rules identify critical natural resources for protection. The Board shall review the definition of Tier 3 area; determine the critical natural resources that shall be included in Tier 3, giving due consideration to river corridors, headwater streams, habitat connectors of statewide significance, riparian areas, class A waters, natural communities;

recommend any additional critical natural resources that should be added to the definition; and how to define the boundaries. Rules adopted by the Board shall include:

(1) any necessary clarifications to how the Tier 3 definition is used in 10 V.S.A. chapter 151;

(2) any necessary changes to how 10 V.S.A. § 6001(3)(A)(xiii) should be administered, and when jurisdiction should be triggered to protect the functions and values of resources of critical natural resources;

(3) the process for how Tier 3 areas will be mapped or identified by the Agency of Natural Resources and the Board; and

(4) other policies or programs that shall be developed to review development impacts to Tier 3 areas if they are not included in 10 V.S.A. § 6001(46).

(b) On or before January 1, 2025, the Board shall convene a working group of stakeholders to provide input to the rule prior to prefiling with the Interagency Committee on Administrative Rules. The working group shall include representation from regional planning commissions; environmental groups; science and ecological research organizations; woodland or forestry organizations; the Vermont Housing and Conservation Board; the Vermont Chamber of Commerce; the League of Cities of Towns; the Land Access and Opportunity Board; the State Natural Resources Conservation Council; and other stakeholders, such as the Vermont Ski Areas Association, the Department of Taxes, Division of Property Valuation and Review, the Department of Forests, Parks and Recreation, the Department of Environmental Conservation, the Department of Fish and Wildlife, the Vermont Woodlands Association, and the Professional Logging Contractors of the Northeast.

(c) The Board shall file a final proposed rule with the Secretary of State and Legislative Committee on Administrative Rules on or before February 1, 2026.

(d) During the rule development, the stakeholder group established under subsection (b) of this section shall solicit participation from representatives of municipalities and landowners that host Tier 3 critical resource areas on their properties to determine the responsibilities and education needed to understand, manage, and interact with the resources.

* * * Tier 1 Areas * * *

Sec. 23. 10 V.S.A. § 6001(3)(A)(xi) is amended to read:

(xi) ~~Notwithstanding any other provision of law to the contrary, until July 1, 2026, the construction of housing projects such as cooperatives,~~

~~condominiums, dwellings, or mobile homes, with 25 or more units, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district, a designated neighborhood development area, a designated village center with permanent zoning and subdivision bylaws, or a designated growth center, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. For purposes of this subsection, the construction of four units or fewer of housing in an existing structure shall only count as one unit towards the total number of units.~~ [Repealed.]

Sec. 24. 10 V.S.A. § 6001(3)(D)(viii)(III) is amended to read:

(III) Notwithstanding any other provision of law to the contrary, until July 1, ~~2026~~2028, the construction of a priority housing project located entirely within a designated downtown development district, designated neighborhood development area, or a designated growth center or within one-half mile around such designated center. For purposes of this subdivision (III), in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-half mile of the designated center boundary. If the one-half mile around the designated center extends into an adjacent municipality, the legislative body of the adjacent municipal may inform the Board that it does not want the exemption to extend into that area.

Sec. 25. REPEALS

(a) 2023 Acts and Resolves No. 47, Sec. 16a is repealed.

(b) 2023 Acts and Resolves No. 47, Sec. 19c is repealed.

Sec. 26. 10 V.S.A. § 6081(y) is amended to read:

(y) ~~No~~ Until December 31, 2030, no permit or permit amendment is required for a retail electric distribution utility's rebuilding of existing electrical distribution lines and related facilities to improve reliability and service to existing customers, through overhead or underground lines in an existing corridor, road, or State or town road right-of-way. Nothing in this section shall be interpreted to exempt projects under this subsection from other required permits or the conditions on lands subject to existing permits required by this section.

Sec. 27. 10 V.S.A. § 6033 is added to read:

§ 6033. REGIONAL PLAN FUTURE LAND USE MAP REVIEW

(a) The Board shall review requests from regional planning commissions to approve or disapprove portions of future land use maps for the purposes of changing jurisdictional thresholds under this chapter by identifying areas on future land use maps for Tier 1B area status and to approve designations

pursuant to 24 V.S.A. chapter 139. The Board may produce guidelines for regional planning commissions seeking Tier 1B area status. If requested by the regional planning commission, the Board shall complete this review concurrently with regional plan approval. A request for Tier 1B area status made by a regional planning commission separate from regional plan approval shall follow the process set forth in 24 V.S.A. § 4348.

(b) The Board shall review the portions of future land use maps that include downtowns or village centers, planned growth areas, and village areas to ensure they meet the requirements under 24 V.S.A. §§ 5803 and 5804 for designation as downtown and village centers and neighborhood areas.

(c) To obtain a Tier 1B area status under this section, the regional planning commission shall demonstrate to the Board that the municipalities with Tier 1B areas meet the requirements for village areas included in 24 V.S.A. § 4348a(a)(12)(C). A municipality may have multiple noncontiguous areas receive Tier 1B area status.

(d) A municipality that is eligible for Tier 1B status may formally request of the Board that they be excluded from Tier 1B area status if the municipality has elected by ordinance adopted under 24 V.S.A. chapter 59. If a municipality seeks to be excluded from Tier 1B, it shall lose any center or neighborhood designations and be ineligible for future designation until it seeks Tier 1B status.

Sec. 28. 10 V.S.A. § 6034 is added to read:

§ 6034. TIER 1A AREA STATUS

(a) Application and approval.

(1) Beginning on January 1, 2026, a municipality, by resolution of its legislative body, may apply to the Land Use Review Board for Tier 1A status for the area of the municipality that is suitable for dense development and meets the requirements of subsection (b) of this section. A municipality may apply for multiple noncontiguous areas to be receive Tier 1A area status. Applications may be submitted at different times.

(2) The Board shall issue an affirmative determination on finding that the municipality meets the requirements of subsection (b) of this section within 45 days after the application is received.

(b) Tier 1A area status requirements.

(1) To obtain a Tier 1A area status under this section, a municipality shall demonstrate to the Board that:

(A) The boundaries are consistent with downtown or village centers and planned growth areas as defined 24 V.S.A. § 4348a(a)(12) in an approved regional plan future land use map with any minor amendments.

(B) The municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with or stronger than the standards established pursuant to subsection 755(b) of this title (flood hazard) and subsection 1428(b) of this title (river corridor) or the proposed Tier 1A area excludes the flood hazard areas and river corridor.

(C) The municipality has adopted permanent zoning and subdivision bylaws that do not include broad exemptions that exclude significant private or public land development from requiring a municipal land use permit.

(D) The municipality has permanent land development regulations for the Tier 1A area that further the smart growth principles of 24 V.S.A. chapters 76A, adequately regulate the physical form and scale of development, provide reasonable provision for a portion of the areas with sewer and water to allow at least four stories, and conform to the guidelines established by the Board.

(E) The Tier 1A area is compatible with the character of adjacent National Register Historic Districts, National or State Register Historic Sites, and other significant cultural and natural resources identified by local or State government.

(F) To the extent that they are not covered under State permits, the municipality has identified and planned for the maintenance of significant natural communities, rare, threatened, and endangered species located in the Tier 1A area or excluded those areas from the Tier 1A area.

(G) Public water and wastewater systems or planned improvements have the capacity to support additional development within the Tier 1A area.

(2) If any party entitled to notice under subdivision (c)(3)(A) of this section or any resident of the municipality raises concerns about the municipality's compliance with the requirements, those concerns shall be addressed as part of the municipality's application.

(c) Process for issuing determinations of Tier 1A area status.

(1) A preapplication meeting shall be held with the Board staff, municipal staff, and staff of the relevant regional planning commission (RPC) to review the requirements of subsection (b) of this section. The meeting shall be held in person or electronically.

(2) An application by the municipality shall include the information and analysis required by the Board's guidelines on how to meet the requirements of subsection (b) of this section.

(3) After receipt of a complete final application, the Land Use Review Board shall convene a public hearing in the municipality to consider whether to issue a determination of Tier 1A area status under this section.

(A) Notice.

(i) At least 35 days in advance of the Board's meeting, the regional planning commission shall post notice of the meeting on its website.

(ii) The municipality shall publish notice of the meeting 30 days and 15 days in advance of the Board's meeting in a newspaper of general circulation in the municipality, and deliver physically or electronically, with proof of receipt or by certified mail, return receipt requested to the Agency of Natural Resources; the Division for Historic Preservation; the Agency of Agriculture, Food and Markets; the Agency of Transportation; the regional planning commission; the regional development corporations; and the entities providing educational, police, and fire services to the municipality.

(iii) The notice shall also be posted by the municipality in or near the municipal clerk's office and in at least two other designated public places in the municipality, on the websites of the municipality and the regional planning commission, and on any relevant e-mail lists or social media that the municipality uses.

(iv) The municipality shall also certify in writing that the notice required by this subsection (c) has been published, delivered, and posted within the specified time.

(v) Notice of an application for Tier 1A area status shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:

(I) the chair of the legislative body of each adjoining municipality;

(II) the executive director of each abutting regional planning commission;

(III) the Department of Housing and Community Development and the Community Investment Board for a formal review and comment; and

(IV) business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned.

(B) No defect in the form or substance of any requirements of this subsection (c) shall invalidate the action of the Board where reasonable efforts are made to provide adequate posting and notice. However, the action shall be invalid when the defective posting or notice was materially misleading in content. If an action is ruled to be invalid by the Superior Court or by the Board itself, the municipality shall issue new posting and notice, and the Board shall hold a new hearing and take a new action.

(4) The Board may recess the proceedings on any application pending submission of additional information. The Board shall close the proceedings promptly after all parties have submitted the requested information.

(5) The Board shall issue its determination in writing. The determination shall include explicit findings on each of the requirements in subsection (b) of this section.

(d) Review of status.

(1) Initial determination of status may be made at any time. Thereafter, review of a status shall occur every eight years with a check-in after four years.

(2) The Board, on its motion, may review compliance with the Tier 1A area requirements at more frequent intervals.

(3) If at any time the Board determines that the Tier 1A area no longer meets the standards for the status, it shall take one of the following actions:

(A) require corrective action within a reasonable time frame; or

(B) terminate the status.

Sec. 29. TIER 1A AREA GUIDELINES

On or before January 1, 2026, the Land Use Review Board shall publish guidelines to direct municipalities seeking to obtain the Tier 1A area status.

Sec. 30. 24 V.S.A. § 4382 is amended to read:

§ 4382. THE PLAN FOR A MUNICIPALITY

(a) A plan for a municipality shall be consistent with the goals established in section 4302 of this title and compatible with approved plans of other municipalities in the region and with the regional plan and shall include the following:

* * *

(2) A land use plan, which shall consist of a map and statement of present and prospective land uses, that:

* * *

(C) Identifies those areas, if any, proposed for designation under chapter 76A of this title and for status under 10 V.S.A. §§ 6033 and 6034, together with, for each area proposed for designation, an explanation of how the designation would further the plan's goals and the goals of section 4302 of this title~~,~~ and how the area meets the requirements for the type of designation to be sought.

* * *

Sec. 31. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

* * *

(z)(1) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required for any subdivision, development, or change to an existing project that is located entirely within a Tier 1A area under section 6034 of this chapter.

(2) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required within a Tier 1B area approved by the Board under section 6033 of this chapter for 50 units or fewer of housing on a tract or tracts of land involving 10 acres or less or for mixed-use development with 50 units or fewer of housing on a tract or tracts of land involving 10 acres or less.

(3) Upon receiving notice and a copy of the permit issued by an appropriate municipal panel pursuant to 24 V.S.A. § 4460(g), a previously issued permit for a development or subdivision located in a Tier 1A area shall remain attached to the property. However, neither the Board nor the Agency of Natural Resources shall enforce the permit or assert amendment jurisdiction on the tract or tracts of land unless the designation is revoked or the municipality has not taken any reasonable action to enforce the conditions of the permit.

(aa) No permit amendment is required for the construction of improvements for a hotel or motel converted to permanently affordable housing developments as defined in 24 V.S.A. § 4303(2).

(bb) Until July 1, 2028, no permit or permit amendment is required for the construction of improvements for one accessory dwelling unit constructed within or appurtenant to a single-family dwelling. Units constructed pursuant to this subsection shall not count towards the total units constructed in other projects.

(cc) Until July 1, 2028, no permit amendment is required for the construction of improvements for converting a structure used for a commercial purpose to 29 or fewer housing units.

(dd) Interim housing exemptions.

(1) Notwithstanding any other provision of law to the contrary, until July 1, 2028, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 75 or units fewer, constructed or maintained on a tract or tracts of land, located entirely within a designated new town center, a designated growth center, or a designated neighborhood development area. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains.

(2)(A) Notwithstanding any other provision of law to the contrary, until July 1, 2028, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 50 or fewer units, constructed or maintained on a tract or tracts of land of 10 acres or less, located entirely within:

(i) a designated village center with permanent zoning and subdivision bylaws or within one-quarter mile of its boundary; or

(ii) areas of a municipality that are within a census-designated urbanized area with over 50,000 residents and within one-quarter mile of a transit route.

(B) Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains. For purposes of this subdivision (B), in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-quarter mile of the designated village center boundary or the center line of the transit route**.** If the one-quarter mile extends into an adjacent municipality, the legislative body of the adjacent municipal may inform the Board that it does not want the exemption to extend into that area.

(3) Notwithstanding any other provision of law to the contrary, until July 1, 2028, no permit or permit amendment is required for the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district. Housing units constructed pursuant to this subdivision shall not count towards the total units

constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains.

Sec. 32. 10 V.S.A. § 6001(50) and (51) are added to read :

(50) "Accessory dwelling unit" means a distinct unit that is clearly subordinate to a single-family dwelling, located on an owner-occupied lot and has facilities and provisions for independent living, including sleeping, food preparation and sanitation, provided there is compliance with all of the following:

(A) the unit does not exceed 30 percent of the habitable floor area of the single-family dwelling or 900 square feet, whichever is greater; and

(B) the unit is located within or appurtenant to a single-family dwelling, whether the dwelling is existing or new construction.

(51) "Transit route" means a set route or network of routes on which a public transit service as defined in 24 V.S.A. § 5088 operates a regular schedule.

Sec. 33. 24 V.S.A. § 4460 is amended to read:

§ 4460. APPROPRIATE MUNICIPAL PANELS

* * *

(g)(1) This subsection shall apply to a subdivision or development that:

(A) was previously permitted pursuant to 10 V.S.A. chapter 151;

(B) is located in a Tier 1A area pursuant to 10 V.S.A. § 6034; and

(C) has applied for a permit or permit amendment required by zoning regulations or bylaws adopted pursuant to this subchapter.

(2) The appropriate municipal panel reviewing a municipal permit or permit amendment pursuant to this subsection shall include conditions contained within a permit previously issued pursuant to 10 V.S.A. chapter 151 unless the panel determines that the permit condition pertains to any of the following:

(A) the construction phase of the project that has already been constructed;

(B) compliance with another State permit that has independent jurisdiction;

(C) federal or State law that is no longer in effect or applicable;

(D) an issue that is addressed by municipal regulation and the project will meet the municipal standards; or

(E) a physical or use condition that is no longer in effect or applicable or that will no longer be in effect or applicable once the new project is approved.

(3) After issuing or amending a permit containing conditions pursuant to this subsection, the appropriate municipal panel shall provide notice and a copy of the permit to the Land Use Review Board.

(4) The appropriate municipal panel shall comply with the notice and hearing requirements provided in subdivision 4464(a)(1) of this title. In addition, notice shall be provided to those persons requiring notice under 10 V.S.A. § 6084(b) and shall explicitly reference the existing Act 250 permit.

(5) The appropriate municipal panel's decision shall be issued in accordance with subsection 4464(b) of this title and shall include specific findings with respect to its determinations pursuant to subdivision (2) of this subsection.

(6) Any final action by the appropriate municipal panel affecting a condition of a permit previously issued pursuant to 10 V.S.A. chapter 151 shall be recorded in the municipal land records.

(h) Within a Tier 1A area, the appropriate municipal panel shall enforce any existing permits issued under 10 V.S.A. chapter 151 that has not had its permit conditions transferred to a municipal permit pursuant to subsection (g) of this section.

Sec. 34. TIER 2 AREA REPORT

(a) On or before February 15, 2026, the Land Use Review Board shall report recommendations to address Act 250 jurisdiction in Tier 2 areas. The recommendations shall:

(1) recommend statutory changes to address fragmentation of rural and working lands while allowing for development;

(2) address how to apply location-based jurisdiction to Tier 2 areas while meetings the statewide planning goals, including how to address commercial development and which shall also include:

(A) review of the effectiveness of mitigation of impacts on primary agricultural soils and making recommendations for how to improve protections for this natural resource;

(B) review of the effectiveness of jurisdictional triggers for development of retail and service businesses outside village centers, and criterion 9(L), in addressing sprawl and strip development, and how to improve the effectiveness of criterion 9(L); and

(C) review of whether and how Act 250 jurisdiction over commercial activities on farms should be revised, including accessory on-farm businesses.

(b) The report shall be submitted to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and Energy and the Senate Committees on Agriculture and on Natural Resources and Energy.

Sec. 35. WOOD PRODUCTS MANUFACTURERS REPORT

(a) The Land Use Review Board, in consultation with the Department of Forests, Parks and Recreation, shall convene a stakeholder group to report on how to address the Act 250 permitting process to better support wood products manufacturers and their role in the forest economy.

(b) The group shall examine the Act 250 permitting process and identify how the minor permit process provided for in 10 V.S.A. § 6084(g) has been working and whether there are shortcomings or challenges.

(c) The group may look at permitting holistically to understand the role of permits from the Agency of Natural Resources, municipal permits, where they apply, and Act 250 permits and develop recommendations to find efficiencies in the entire process or recommend an alternative permitting process for wood products manufacturers.

(d) On or before December 15, 2024, the Land Use Review Board shall submit the report to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and Energy and the Senate Committee on Natural Resources and Energy.

Sec. 36. LOCATION-BASED JURISDICTION REVIEW

On or before February 1, 2029, the Land Use Review Board shall review and report on the new Tier jurisdiction framework used to establish location-based jurisdiction for 10 V.S.A. chapter 151. The Board shall report on the outcomes and outline successes and any changes that are needed. The Board shall undertake an in-depth review of the Act 250 updates, including the duties and responsibilities of all the staff and the Board itself, specifically whether the updates have reduced appeals and whether the updates have created more equity and cohesion amongst the District Commissions and district coordinators.

Sec. 37. AFFORDABLE HOUSING DEVELOPMENT REGULATORY INCENTIVES STUDY

(a) The Department of Housing and Community Development, the Vermont Housing and Conservation Board, the Land Access and Opportunity Board, and the Vermont Housing Finance Agency shall:

(1) engage with diverse stakeholders, including housing developers, local government officials, housing advocacy organizations, financial institutions, and community members to identify regulatory policies that incentivize mixed-income, mixed-use development and support affordable housing production as a percentage of new housing units in communities throughout the State, including examining the impact of inclusionary zoning; and

(2) develop recommendations for legislative, regulatory, and administrative actions to improve and expand affordable housing development incentives within State designated areas.

(b) On or before December 15, 2024, the Department of Housing and Community Development shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Natural Resources and Energy and the House Committees on General and Housing and on Environment and Energy with its findings and recommendations.

Sec. 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.

Sec. 38. [Deleted.]

* * * Environmental Justice * * *

Sec. 39. 3 V.S.A. § 6004 is amended to read:

§ 6004. IMPLEMENTATION OF STATE POLICY

* * *

(c) Each of the covered agencies shall create and adopt on or before July 1, ~~2025~~ 2027 a community engagement plan that describes how the agency will engage with environmental justice focus populations as it evaluates new and existing activities and programs. Community engagement plans shall align with the core principles developed by the Interagency Environmental Justice Committee pursuant to subdivision 6006(c)(2)(B) of this title and take into consideration the recommendations of the Environmental Justice Advisory Council pursuant to subdivision 6006(c)(1)(B) of this title. Each plan shall describe how the agency plans to provide meaningful participation in compliance with Title VI of the Civil Rights Act of 1964.

(d) The covered agencies shall submit an annual summary beginning on ~~January~~ March 15, 2024 and annually thereafter to the Environmental Justice Advisory Council, detailing all complaints alleging environmental justice issues or Title VI violations and any agency action taken to resolve the complaints. The Advisory Council shall provide any recommendations concerning those reports within 60 days after receipt of the complaint summaries. Agencies shall consider the recommendations of the Advisory Council pursuant to subdivision 6006(c)(1)(E) of this title and substantively respond in writing if an agency chooses not to implement any of the recommendations, within 90 days after receipt of the recommendations.

* * *

(f) The Agency of Natural Resources, in consultation with the Interagency Environmental Justice Committee and the Environmental Justice Advisory Council, shall issue guidance on how the covered agencies shall determine which investments provide environmental benefits to environmental justice focus populations on or before September 15, ~~2023~~ 2025. A draft version of the guidance shall be released for a 40-day public comment period before being finalized.

(g)(1) On or before February 15, ~~2024~~ 2026, the covered agencies shall, in accordance with the guidance document developed by the Agency of Natural Resources pursuant to subsection (f) of this section, review the past three years and generate baseline spending reports that include:

* * *

(h) On or before July 1, ~~2024~~ 2026, it shall be the goal of the covered agencies to direct investments proportionately in environmental justice focus populations.

(i)(1) Beginning on January 15, ~~2026~~ 2028, and annually thereafter, the covered agencies shall either integrate the following information into existing annual spending reports or issue annual spending reports that include:

* * *

(j) Beginning on January 15, ~~2025~~ 2027, the covered agencies shall each issue and publicly post an annual report summarizing all actions taken to incorporate environmental justice into its policies or determinations, rulemaking, permit proceedings, or project review.

Sec. 40. 3 V.S.A. § 6005 is amended to read:

§ 6005. RULEMAKING

(a) On or before July 1, ~~2025~~ 2027, the Agency of Natural Resources, in consultation with the Environmental Justice Advisory Council and the Interagency Environmental Justice Committee, shall adopt rules to:

* * *

(b) On or before July 1, ~~2026~~ 2028 and as appropriate thereafter, the covered agencies, in consultation with the Environmental Justice Advisory Council, shall adopt or amend policies and procedures, plans, guidance, and rules, where applicable, to implement this chapter.

* * *

Sec. 41. 3 V.S.A. § 6006 is amended to read:

§ 6006. ENVIRONMENTAL JUSTICE ADVISORY COUNCIL AND INTERAGENCY ENVIRONMENTAL JUSTICE COMMITTEE

* * *

(b) Meetings. The Advisory Council and Interagency Committee shall each meet not more than ~~eight~~ 12 times per year, with at least four meetings occurring jointly. Meetings may be held in person, remotely, or in a hybrid format to facilitate maximum participation and shall be recorded and publicly posted on the Secretary's website.

(c) Duties.

* * *

(2) The Interagency Committee shall:

(A) consult with the Agency of Natural Resources in the development of the guidance document required by subsection 6004(g) of this title on how to determine which investments provide environmental benefits to environmental justice focus populations; and

(B) on or before July 1, ~~2023~~ 2025, develop, in consultation with the Agency of Natural Resources and the Environmental Justice Advisory Council, a set of core principles to guide and coordinate the development of the State agency community engagement plans required under subsection 6004(d) of this title.

(3) The Advisory Council and the Interagency Committee shall jointly:

(A) consider and recommend to the General Assembly, on or before December 1, ~~2023~~ 2025, amendments to the terminology, thresholds, and criteria of the definition of environmental justice focus populations, including whether to include populations more likely to be at higher risk for poor health outcomes in response to environmental burdens; and

* * *

Sec. 42. 3 V.S.A. § 6007 is amended to read:

§ 6007. ENVIRONMENTAL JUSTICE MAPPING TOOL

* * *

(c) On or before January 1, ~~2025~~ 2027, the mapping tool shall be available for use by the public as well as by the State government.

Sec. 43. 2022 Acts and Resolves No. 154, Sec. 3 is amended to read:

Sec. 3. SPENDING REPORT

On or before December 15, ~~2025~~ 2027, the Agency of Natural Resources shall submit a report to the General Assembly describing whether the baseline spending reports completed pursuant to 3 V.S.A. § 6004(g) of this section indicate if any municipalities or portions of municipalities are routinely underserved with respect to environmental benefits, taking into consideration whether those areas receive, averaged across three years, a significantly lower percentage of environmental benefits from State investments as compared to other municipalities or portions of municipalities in the State. This report shall include a recommendation as to whether a statutory definition of "underserved community" and any other revisions to this chapter are necessary to best carry out the Environmental Justice State Policy.

* * * Amicus briefs * * *

Sec. 44. 10 V.S.A. § 8504(q) is added to read:

(q) Amicus curiae. Notwithstanding the hearing of an appeal as de novo, any judge presiding over appeals from chapter 151 of this title and Agency permits pursuant to subsection (a) of this section may allow participation in such appeals by amicus curiae following the Rules of Appellate Procedure Rule 29.

* * * Future Land Use Maps * * *

Sec. 45. 24 V.S.A. § 4302 is amended to read:

§ 4302. PURPOSE; GOALS

* * *

(c) In addition, this chapter shall be used to further the following specific goals:

(1) To plan development so as to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside.

(A) Intensive residential development should be encouraged primarily in ~~areas related to community centers~~ downtown centers, village centers, planned growth areas, and village areas as described in section 4348a of this title, and strip development along highways should be ~~discouraged~~ avoided. These areas should be planned so as to accommodate a substantial majority of housing needed to reach the housing targets developed for each region pursuant to subdivision 4348a(a)(9) of this title.

(B) Economic growth should be encouraged in locally and regionally designated growth areas, employed to revitalize existing village and urban centers, or both~~, and should be encouraged in growth centers designated under chapter 76A of this title~~.

(C) Public investments, including the construction or expansion of infrastructure, should reinforce the ~~general character and~~ planned growth patterns of the area.

(D) Development should be undertaken in accordance with smart growth principles as defined in subdivision 2791(13) of this title.

* * *

(5) To identify, protect, and preserve important natural and historic features of the Vermont landscape, including:

(A) significant natural and fragile areas;

(B) outstanding water resources, including lakes, rivers, aquifers, shorelands, and wetlands;

(C) significant scenic roads, waterways, and views;

(D) important historic structures, sites, or districts, archaeological sites, and archaeologically sensitive areas.

(6) To maintain and improve the quality of air, water, wildlife, forests, and other land resources.

(A) Vermont's air, water, wildlife, mineral, and land resources should be planned for use and development according to the principles set forth in 10 V.S.A. § 6086(a).

(B) Vermont's water quality should be maintained and improved according to the policies and actions developed in the basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.

(C) Vermont's forestlands should be managed so as to maintain and improve forest blocks and habitat connectors.

* * *

(11) To ensure the availability of safe and affordable housing for all Vermonters.

(A) Housing should be encouraged to meet the needs of a diversity of social and income groups in each Vermont community, particularly for those citizens of low and moderate income, and consistent with housing targets provided for in subdivision 4348a(a)(9) of this title.

(B) New and rehabilitated housing should be safe, sanitary, located conveniently to employment and commercial centers, and coordinated with the provision of necessary public facilities and utilities.

(C) Sites for ~~multi-family~~ multifamily and manufactured housing should be readily available in locations similar to those generally used for single-family ~~conventional~~ dwellings.

(D) Accessory ~~apartments~~ dwelling units within or attached to single-family residences ~~which~~ that provide affordable housing in close proximity to cost-effective care and supervision for relatives, elders, or persons who have a disability should be allowed.

* * *

(14) To encourage flood resilient communities.

(A) New development in identified flood hazard~~, fluvial erosion,~~ and river corridor protection areas should be avoided. If new development is to be built in such areas, it should not exacerbate flooding and fluvial erosion.

(B) The protection and restoration of floodplains and upland forested areas that attenuate and moderate flooding and fluvial erosion should be encouraged.

(C) Flood emergency preparedness and response planning should be encouraged.

(15) To equitably distribute environmental benefits and burdens as described in 3 V.S.A. chapter 72.

* * *

Sec. 46. 24 V.S.A. § 4345a is amended to read:

§ 4345a. DUTIES OF REGIONAL PLANNING COMMISSIONS

A regional planning commission created under this chapter shall:

* * *

(5) Prepare a regional plan and amendments that are consistent with the goals established in section 4302 of this title, and compatible with approved municipal and adjoining regional plans. When preparing a regional plan, the regional planning commission shall:

(A) ~~develop~~ Develop and carry out a process that will encourage and enable widespread citizen involvement~~;~~ and meaningful participation, as defined in 3 V.S.A. § 6002.

(B) ~~develop~~ Develop a regional data base that is compatible with, useful to, and shared with the geographic information system established under 3 V.S.A. § 20~~;~~.

(C) ~~conduct~~ Conduct capacity studies~~;~~.

(D) ~~identify~~ Identify areas of regional significance. Such areas may be, but are not limited to, historic sites, earth resources, rare and irreplaceable natural areas, recreation areas, and scenic areas~~;~~.

(E) ~~use a land evaluation and site assessment system, that shall at a minimum use the criteria established by the Secretary of Agriculture, Food and Markets under 6 V.S.A. § 8, to identify viable agricultural lands;~~ Consider the potential environmental benefits and environmental burdens, as defined in 3 V.S.A. §6002, of the proposed plan.

(F) ~~consider~~ Consider the probable social and economic benefits and consequences of the proposed plan~~; and~~.

(G) ~~prepare~~ Prepare a report explaining how the regional plan is consistent with the goals established in section 4302 of this title.

* * *

(11) Review proposed State capital expenditures prepared pursuant to 32 V.S.A. chapter 5 and the Transportation Program prepared pursuant to 19 V.S.A. chapter 1 for compatibility and consistency with regional plans and submit comments to the Secretaries of Transportation and Administration and the legislative committees of jurisdiction.

* * *

(17) As part of its regional plan, define a substantial regional impact, as the term may be used with respect to its region. This definition shall be given ~~due consideration~~ substantial deference, where relevant, in State regulatory proceedings.

* * *

Sec. 47. 24 V.S.A. § 4347 is amended to read:

§ 4347. PURPOSES OF REGIONAL PLAN

A regional plan shall be made with the general purpose of guiding and accomplishing a coordinated, efficient, equitable, and economic development of the region ~~which~~ that will, in accordance with the present and future needs and resources, best promote the health, safety, order, convenience, prosperity, and welfare of ~~the~~ current and future inhabitants as well as efficiency and economy in the process of development. This general purpose includes recommending a distribution of population and of the uses of the land for urbanization, trade, industry, habitation, recreation, agriculture, forestry, and other uses as will tend to:

(1) create conditions favorable to transportation, health, safety, civic activities, and educational and cultural opportunities;

(2) reduce the wastes of financial, energy, and human resources ~~which~~ that result from either excessive congestion or excessive scattering of population;

(3) promote an efficient and economic utilization of drainage, energy, sanitary, and other facilities and resources;

(4) promote the conservation of the supply of food, water, energy, and minerals;

(5) promote the production of food and fiber resources and the reasonable use of mineral, water, and renewable energy resources; ~~and~~

(6) promote the development of housing suitable to the needs of the region and its communities.~~;~~ and

(7) help communities equitably build resilience to address the effects of climate change through mitigation and adaptation consistent with the Vermont Climate Action Plan adopted pursuant to 10 V.S.A. § 592 and 3 V.S.A. chapter 72.

Sec. 48. 24 V.S.A. § 4348 is amended to read:

§ 4348. ADOPTION AND AMENDMENT OF REGIONAL PLAN

(a) A regional planning commission shall adopt a regional plan. Any plan for a region, and any amendment ~~thereof~~, shall be prepared by the regional planning commission. At the outset of the planning process and throughout the process, regional planning commissions shall solicit the participation of each of their member municipalities, local citizens, and organizations by holding informal working sessions that suit the needs of local people. The purpose of these working sessions is to allow for meaningful participation as defined in 3 V.S.A. § 6002, provide consistent information about new statutory requirements related to the regional plan, explain the reasons for new requirements, and gather information to be used in the development of the regional plan and future land use element.

(b) 60 days prior to holding the first public hearing on a regional plan, a regional planning commission shall submit a draft regional plan to the Land Use Review Board review and comments related to conformance of the draft with sections 4302 and 4348a of this title and chapter 139 of this title. The Board shall coordinate with other State agencies and respond within 60 days unless more time is granted by the regional planning commission.

(c) The regional planning commission shall hold two or more public hearings within the region after public notice on any proposed plan or amendment. The minimum number of required public hearings may be specified within the bylaws of the regional planning commission.

~~(c)~~(d)(1) At least 30 days prior to the first hearing, a copy of the proposed plan or amendment, a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter, and a description of any changes to the Regional Future Land Use Map with a request for general comments and for specific comments with respect to the extent to which the plan or amendment is consistent with the goals established in section 4302 of this title~~,~~ shall be

delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:

~~(1)~~(A) the chair of the legislative body or municipal manager, if any of each municipality within the region;

~~(2)~~(B) the executive director of each abutting regional planning commission;

~~(3)~~(C) the Department of Housing and Community Development within the Agency of Commerce and Community Development and the Community Investment Board for a formal review and comment;

~~(4)~~(D) business, conservation, low-income advocacy, and other community or interest groups or organizations that have requested notice in writing prior to the date the hearing is warned; and

~~(5)~~(E) the Agency of Natural Resources ~~and~~; the Agency of Agriculture, Food and Markets; the Agency of Transportation; the Department of Public Service; the Department of Public Safety's Division of Emergency Management; and the Land Use Review Board.

(2) At least 30 days prior to the first hearing, the regional planning commission shall provide each of its member municipalities with a written description of map changes within the municipality, a municipality-wide map showing old versus new areas with labels, and information about the new Tier structure under 10 V.S.A. chapter 151, including how to obtain Tier 1A or 1B status, and the process for updating designated area boundaries.

~~(d)~~(e) Any of the foregoing bodies, or their representatives, may submit comments on the proposed regional plan or amendment to the regional planning commission~~,~~ and may appear and be heard in any proceeding with respect to the adoption of the proposed plan or amendment.

~~(e)~~(f) The regional planning commission may make revisions to the proposed plan or amendment at any time not less than 30 days prior to the final public hearing held under this section. If the proposal is changed, a copy of the proposed change shall be delivered physically ~~or~~; electronically with proof of receipt; or by certified mail, return receipt requested, to the chair of the legislative body of each municipality within the region~~,~~ and to any individual or organization requesting a copy~~,~~ at least 30 days prior to the final hearing.

~~(f)~~(g) A regional plan or amendment shall be adopted by not less than a 60 percent vote of the commissioners representing municipalities, in accordance with the bylaws of the regional planning commission~~, and immediately submitted to the legislative bodies of the municipalities that~~

~~comprise the region. The plan or amendment shall be considered duly adopted and shall take effect 35 days after the date of adoption, unless, within 35 days of the date of adoption, the regional planning commission receives certification from the legislative bodies of a majority of the municipalities in the region vetoing the proposed plan or amendment. In case of such a veto, the plan or amendment shall be deemed rejected~~.

(h)(1) Within 15 days following adoption, a regional planning commission shall submit its regionally adopted regional plan to the Land Use Review Board for a determination of regional plan compliance with a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter and a description of any changes to the regional plan future land use map.

(2) The Land Use Review Board shall hold a public hearing within 60 days after receiving a plan and provide notice of it at least 15 days in advance by direct mail or electronically with proof of receipt to the requesting regional planning commission, posting on the website of the Land Use Review Board, and publication in a newspaper of general circulation in the region affected. The regional planning commission shall notify its municipalities and post on its website the public hearing notice.

(3) The Land Use Review Board shall issue the determination in writing within 15 days after the close of the hearing on the plan. If the determination is affirmative, a copy of the determination shall be provided to the regional planning commission and the Community Investment Board. If the determination is negative, the Land Use Review Board shall state the reasons for denial in writing and, if appropriate, suggest acceptable modifications. Submissions for a new determination that follow a negative determination shall receive a new determination within 45 days.

(4) The Land Use Review Board's affirmative determination shall be based upon finding the regional plan meets the following requirements:

(A) Consistency with the State planning goals as described in section 4302 of this chapter with consistency determined in the manner described under subdivision 4302(f)(1) of this chapter.

(B) Consistency with the purposes of the regional plan established in section 4347 of chapter.

(C) Consistency with the regional plan elements as described in section 4348a of this chapter, except that the requirements of section 4352 of this chapter related to enhanced energy planning shall be the under the sole authority of the Department of Public Service.

(D) Compatibility with adjacent regional planning areas in the manner described under subdivision 4302(f)(2) of this chapter.

(i) Objections of interested parties.

(1) An interested party who has participated in the regional plan adoption process may object to the approval of the plan or approval of the future land use maps by the Land Use Review Board within 15 days following plan adoption by the regional planning commission. Participation is defined as providing written or oral comments stating objections for consideration at a public hearing held by the regional planning commission. Objections shall be submitted using a form provided by the Land Use Review Board.

(2) As used in this section, an "interested party" means any one of the following:

(A) Any 20 persons by signed petition who own property or reside within the region. The petition must designate one person to serve as the representative of the petitioners regarding all matters related to the objection. The designated representative shall have participated in the regional plan adoption process.

(B) A party entitled to notice under subsection (d) of this section.

(3) Any objection under this section shall be limited to the question of whether the regional plan is consistent with the regional plan elements and future land use areas as described in section 4348a of this title. The requirements of section 4352 of this title related to enhanced energy planning shall be under the sole authority of the Department of Public Service and shall not be reviewed by the Land Use Review Board.

(4) The Land Use Review Board shall hear any objections of regional plan adoption concurrently with regional plan review under subsection (h) of this section and 10 V.S.A. § 6033. The Land Use Review Board decision of approval of a regional plan shall expressly evaluate any objections and state the reasons for their decisions in writing. If applicable, the decision to uphold an objection shall suggest modifications to the regional plan.

(j) Minor amendments to regional plan future land use map. A regional planning commission may submit a request for a minor amendment to boundaries of a future land use area for consideration by the Land Use Review Board with a letter of support from the municipality. The request may only be submitted after an affirmative vote of the municipal legislative body and the regional planning commission board. The Land Use Review Board, after consultation with the Community Investment Board and the regional planning commissions, shall provide guidance about what constitutes a minor amendment. Minor amendments may include any change to a future land use

area consisting of fewer than 10 acres. A minor amendment to a future land use area shall not require an amendment to a regional plan and shall be included in the next iteration of the regional plan. The Board may adopt rules to implement this section.

(k) An affirmative determination of regional plan compliance issued pursuant to this section shall remain in effect until the end of the period for expiration or readoption of the plan to which it applies.

(l) Regional planning commissions shall be provided up to 18 months from a negative determination by the Land Use Review Board to obtain an affirmative determination of regional plan compliance. If a regional planning commission is unable to obtain affirmative determination of regional plan compliance, the plan shall be considered unapproved and member municipalities shall lose any associated benefits related to designations, such as Act 250 exemptions or eligibility for State infrastructure investments.

(m) Upon approval by the Land Use Review Board, the plan shall be considered duly adopted, shall take effect, and is not appealable. The plan shall be immediately submitted to the entities listed in subsection (d) of this section.

~~(g)~~(n) Regional plans may be reviewed from time to time and may be amended in the light of new developments and changed conditions affecting the region.

~~(h)~~(o) In proceedings under 10 V.S.A. chapter 151, 10 V.S.A. chapter 159, and 30 V.S.A. § 248, in which the provisions of a regional plan or a municipal plan are relevant to the determination of any issue in those proceedings:

(1) the provisions of the regional plan shall be given effect to the extent that they are not in conflict with the provisions of a duly adopted municipal plan; and

(2) to the extent that such a conflict exists, the regional plan shall be given effect if it is demonstrated that the project under consideration in the proceedings would have a substantial regional impact as determined by the definition in the regional plan.

(p) Regional planning commissions shall adopt a regional plan in conformance with this title on or before December 31, 2026.

Sec. 49. 24 V.S.A. § 4348a is amended to read:

§4348a. ELEMENTS OF A REGIONAL PLAN

(a) A regional plan shall be consistent with the goals established in section 4302 of this title and shall include the following:

(1) A statement of basic policies of the region to guide the future growth and development of land and of public services and facilities, and to protect the environment.

(2) A ~~land use~~ natural resources and working lands element, which shall consist of a map or maps and ~~statement of present and prospective land uses~~ policies, based on ecosystem function, consistent with Vermont Conservation Design, support compact centers surrounded by rural and working lands, and that:

(A) Indicates those areas of significant natural resources, including existing and proposed for forests, wetlands, vernal pools, rare and irreplaceable natural areas, floodplains, river corridors, recreation, agriculture~~,~~ ~~(~~ using the agricultural lands identification process established in 6 V.S.A. § 8~~)~~, residence, commerce, industry, public, and ~~semi-public~~ semipublic uses, open spaces, areas reserved for flood plain, forest blocks, habitat connectors, recreation areas and recreational trails, and areas identified by the State, regional planning commissions, or municipalities that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes.

(B) ~~Indicates those areas within the region that are likely candidates for designation under sections 2793 (downtown development districts), 2793a (village centers), 2793b (new town centers), and 2793c (growth centers) of this title.~~

~~(C) Indicates locations proposed for developments with a potential for regional impact, as determined by the regional planning commission, including flood control projects, surface water supply projects, industrial parks, office parks, shopping centers and shopping malls, airports, tourist attractions, recreational facilities, private schools, public or private colleges, and residential developments or subdivisions.~~

~~(D) Sets forth the present and prospective location, amount, intensity, and character of such land uses and the appropriate timing or sequence of land development activities in relation to the provision of necessary community facilities and services.~~

~~(E)~~ Indicates those areas that have the potential to sustain agriculture and recommendations for maintaining them ~~which~~ that may include transfer of development rights, acquisition of development rights, or farmer assistance programs.

~~(F)~~(C) Indicates those areas that are important as forest blocks and habitat connectors and plans for land development in those areas to minimize

forest fragmentation and promote the health, viability, and ecological function of forests. A plan may include specific policies to encourage the active management of those areas for wildlife habitat, water quality, timber production, recreation, or other values or functions identified by the regional planning commission.

(D) Encourages preservation of rare and irreplaceable natural areas, scenic and historic features and resources.

(E) Encourages protection and improvement of the quality of waters of the State to be used in the development and furtherance of the applicable basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.

(3) An energy element, ~~which may include~~ including an analysis of resources, needs, scarcities, costs, and problems within the region across all energy sectors, including electric, thermal, and transportation; a statement of policy on the conservation and efficient use of energy and the development and siting of renewable energy resources; a statement of policy on patterns and densities of land use likely to result in conservation of energy; and an identification of potential areas for the development and siting of renewable energy resources and areas that are unsuitable for siting those resources or particular categories or sizes of those resources.

(4) A transportation element~~, which may consist~~ consisting of a statement of present and prospective transportation and circulation facilities, and a map showing existing and proposed highways, including limited access highways, and streets by type and character of improvement, and where pertinent, anticipated points of congestion, parking facilities, transit routes, terminals, bicycle paths and trails, scenic roads, airports, railroads and port facilities, and other similar facilities or uses, and recommendations to meet future needs for such facilities, with indications of priorities of need, costs, and method of financing.

(5) A utility and facility element, consisting of a map and statement of present and prospective local and regional community facilities and public utilities, whether publicly or privately owned, showing existing and proposed educational, recreational and other public sites, buildings and facilities, including public schools, State office buildings, hospitals, libraries, power generating plants and transmission lines, wireless telecommunications facilities and ancillary improvements, water supply, sewage disposal, refuse disposal, storm drainage, and other similar facilities and activities, and recommendations to meet future needs for those facilities, with indications of priority of need.

(6) ~~A statement of policies on the:~~

~~(A) preservation of rare and irreplaceable natural areas, scenic and historic features and resources; and~~

~~(B) protection and improvement of the quality of waters of the State to be used in the development and furtherance of the applicable basin plans established by the Secretary of Natural Resources under 10 V.S.A. § 1253.~~ [Repealed.]

* * *

(12) A future land use element, based upon the elements in this section, that sets forth the present and prospective location, amount, intensity, and character of such land uses in relation to the provision of necessary community facilities and services and that consists of a map delineating future land use area boundaries for the land uses in subdivisions (A)–(J) of this subdivision (12) as appropriate and any other special land use category the regional planning commission deems necessary; descriptions of intended future land uses; and policies intended to support the implementation of the future land use element using the following land use categories:

(A) Downtown or village centers. These areas are the mixed-use centers bringing together community economic activity and civic assets. They include downtowns, villages, and new town centers previously designated under chapter 76A and downtowns and village centers seeking benefits under the Community Investment Program under section 5804 of this title. The downtown or village centers are the traditional and historic central business and civic centers within planned growth areas, village areas, or may stand alone. Village centers are not required to have public water, wastewater, zoning, or subdivision bylaws.

(B) Planned growth areas. These areas include the high-density existing settlement and future growth areas with high concentrations of population, housing, and employment in each region and town, as appropriate. They include a mix of historic and nonhistoric commercial, residential, and civic or cultural sites with active streetscapes, supported by land development regulations; public water or wastewater, or both; and multimodal transportation systems. These areas include new town centers, downtowns, village centers, growth centers, and neighborhood development areas previously designated under chapter 76A of this title. These areas should generally meet the smart growth principles definition in chapter 139 of this title and the following criteria:

(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title and has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.

(ii) This area is served by public water or wastewater infrastructure.

(iii) The area is generally within walking distance from the municipality's or an adjacent municipality's downtown, village center, new town center, or growth center.

(iv) The area excludes identified flood hazard and river corridor areas, except those areas containing preexisting development in areas suitable for infill development as defined in section 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(v) The municipal plan indicates that this area is intended for higher-density residential and mixed-use development.

(vi) The area provides for housing that meets the needs of a diversity of social and income groups in the community.

(vii) The area is served by planned or existing transportation infrastructure that conforms with "complete streets" principles as described under 19 V.S.A. chapter 24 and establishes pedestrian access directly to the downtown, village center, or new town center. Planned transportation infrastructure includes those investments included in the municipality's capital improvement program pursuant to section 4430 of this title.

(C) Village areas. These areas include the traditional settlement area or a proposed new settlement area, typically composed of a cohesive mix of residential, civic, religious, commercial, and mixed-use buildings, arranged along a main street and intersecting streets that are within walking distance for residents who live within and surrounding the core. These areas include existing village center designations and similar areas statewide, but this area is larger than the village center designation. Village areas shall meet the following criteria:

(i) The municipality has a duly adopted and approved plan and a planning process that is confirmed in accordance with section 4350 of this title.

(ii) The municipality has adopted bylaws and regulations in accordance with sections 4414, 4418, and 4442 of this title.

(iii) Unless the municipality has adopted flood hazard and river corridor bylaws, applicable to the entire municipality, that are consistent with the standards established pursuant to 10 V.S.A. § 755b (flood hazard) and 10 V.S.A. § 1428(b) (river corridor), the area excludes identified flood hazard and river corridors, except those areas containing preexisting development in areas suitable for infill development as defined in 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(iv) The municipality has either municipal water or wastewater. If no public wastewater is available, the area must have soils that are adequate for wastewater disposal.

(v) The area has some opportunity for infill development or new development areas where the village can grow and be flood resilient.

(D) Transition or infill area. These areas include areas of existing or planned commercial, office, mixed-use development, or residential uses either adjacent to a planned growth or village area or a new stand-alone transition or infill area and served by, or planned for, public water or wastewater, or both. The intent of this land use category is to transform these areas into higher-density, mixed-use settlements, or residential neighborhoods through infill and redevelopment or new development. New commercial linear strip development is not allowed as to prevent it negatively impacting the economic vitality of commercial areas in the adjacent or nearby planned growth or village area. This area could also include adjacent greenfields safer from flooding and planned for future growth.

(E) Resource-based recreation areas. These areas include large-scale resource-based recreational facilities, often concentrated around ski resorts, lakeshores, or concentrated trail networks, that may provide infrastructure, jobs, or housing to support recreational activities.

(F) Enterprise areas. These areas include locations of high economic activity and employment that are not adjacent to planned growth areas. These include industrial parks, areas of natural resource extraction, or other commercial uses that involve larger land areas. Enterprise areas typically have ready access to water supply, sewage disposal, electricity, and freight transportation networks.

(G) Hamlets. Small historic clusters of homes and may include a school, place of worship, store, or other public buildings not planned for significant growth; no public water supply or wastewater systems; and mostly focused along one or two roads. These may be depicted as points on the future land use map.

(H) Rural; general. These areas include areas that promote the preservation of Vermont's traditional working landscape and natural area features. They allow for low-density residential and some limited commercial development that is compatible with productive lands and natural areas. This may also include an area that a municipality is planning to make more rural than it is currently.

(I) Rural; agricultural and forestry. These areas include blocks of forest or farmland that sustain resource industries, provide critical wildlife habitat and movement, outdoor recreation, flood storage, aquifer recharge, and scenic beauty, and contribute to economic well-being and quality of life. Development in these areas should be carefully managed to promote the working landscape and rural economy, and address regional goals, while protecting the agricultural and forest resource value.

(J) Rural; conservation. These are areas of significant natural resources, identified by regional planning commissions or municipalities based upon existing Agency of Natural Resources mapping that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes. The mapping of these areas and accompanying policies are intended to help meet requirements of 10 V.S.A. chapter 89. Any portion of this area that is approved by the LURB as having Tier 3 area status shall be identified on the future land use map as an overlay upon approval.

(b) The various elements and statements shall be correlated with the land use element and with each other. The maps called for by this section may be incorporated on one or more maps~~,~~ and may be referred to in each separate statement called for by this section.

(c) The regional plan future land use map shall delineate areas within the regional planning commission's member municipalities that are eligible to receive designation benefits as centers and neighborhoods when the future land use map is approved by the Land Use Review Board per 10 V.S.A. § 6033. The areas eligible for designation as centers shall be identified on the regional plan future land use map as regional downtown centers and village centers. The areas eligible for designation as neighborhoods shall be identified on the regional plan future land use map as planned growth areas and village areas in a manner consistent with this section and chapter 139 of this title. This methodology shall include all approved designated downtowns, villages, new town centers, neighborhood development areas, and growth centers existing on December 31, 2025, unless the subject member municipality requests otherwise.

(d) With the exception of preexisting, nonconforming designations approved prior to the establishment of the program, the areas eligible for designation benefits upon the Land Use Review Board's approval of the regional plan future land use map for designation as a center shall not include development that is disconnected from a downtown or village center and that lacks an existing or planned pedestrian connection to the center via a complete street.

(e) The Vermont Association of Planning and Development Agencies shall develop, maintain, and update standard methodology and process for the mapping of areas eligible for Tier 1B status under 10 V.S.A. § 6033 and designation under chapter 139 of this title. The methodology shall be issued on or before December 31, 2024, in consultation with the Department of Housing and Community Development and Land Use Review Board.

Sec. 50. REGIONAL PLANNING COMMISSION STUDY

(a) The Vermont Association of Planning and Development Agencies (VAPDA) shall hire an independent contractor to study the strategic opportunities for regional planning commissions to better serve municipalities and the State. This study shall seek to ensure that the regional planning commissions are statutorily enabled and strategically positioned to meet ongoing and emerging State and municipal needs and shall review the following: governance, funding, programs, service delivery, equity, accountability, and staffing.

(b) A stakeholder group composed of the Vermont League of Cities and Towns, Vermont Council on Rural Development, the Department of Housing and Community Development, the Agency of Administration, the Office of Racial Equity, legislators, and others will be invited to participate in the study to provide their insights into governance structure, accountability, and performance standards.

(c) The study shall identify the gaps in statutory enabling language, structure, and local engagement and make recommendations on how to improve and ensure consistent and equitable statewide programming and local input and engagement, including methods to improve municipal participation; the amount of regional planning grant funding provided to each regional planning commission relative to statutory responsibilities, the number of municipalities, and other demands; and how to make it easier for municipalities to work together.

(d) On or before December 31, 2024, the study report shall be submitted to the House Committees on Environment and Energy, on Commerce and Economic Development, and on Government Operations and Military Affairs

and the Senate Committees on Economic Development, Housing and General Affairs, on Natural Resources and Energy, and on Government Operations.

* * * Municipal Zoning * * *

Sec. 51. 24 V.S.A. § 4382 is amended to read:

§ 4382. THE PLAN FOR A MUNICIPALITY

(a) A plan for a municipality shall be consistent with the goals established in section 4302 of this title and compatible with approved plans of other municipalities in the region and with the regional plan and shall include the following:

* * *

(10) A housing element that shall include a recommended program for public and private actions to address housing needs and targets as identified by the regional planning commission pursuant to subdivision 4348a(a)(9) of this title. The program ~~should~~ shall use data on year-round and seasonal dwellings and include specific actions to address the housing needs of persons with low income and persons with moderate income and account for permitted residential development as described in section 4412 of this title.

* * *

Sec. 52. 24 V.S.A. § 4412 is amended to read:

§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

Notwithstanding any existing bylaw, the following land development provisions shall apply in every municipality:

(1) Equal treatment of housing and required provisions for affordable housing.

* * *

(D) Bylaws shall designate appropriate districts and reasonable regulations for multiunit or multifamily dwellings. No bylaw shall have the effect of excluding these multiunit or multifamily dwellings from the municipality. In any district that allows year-round residential development, duplexes shall be ~~an allowed~~ a permitted use with ~~the same~~ dimensional standards ~~as~~ that are not more restrictive than is required for a single-unit dwelling, including no additional land or lot area than would be required for a single-unit dwelling. In any district that is served by municipal sewer and water infrastructure that allows residential development, multiunit dwellings with four or fewer units shall be a permitted use on the same size lot as single-

unit dwelling, unless that district specifically requires multiunit structures to have more than four dwelling units.

* * *

(12) In any area served by municipal sewer and water infrastructure that allows residential development, bylaws shall establish lot and building dimensional standards that allow five or more dwelling units per acre for each allowed residential use~~, and density~~. Any lot that is smaller than one acre but granted a variance of not more than 10 percent shall be treated as one acre for the purposes of this subsection. Density and minimum lot size standards for multiunit dwellings shall not be more restrictive than those required for single-family dwellings.

(13) In any area served by municipal sewer and water infrastructure that allows residential development, bylaws shall permit any affordable housing development, as defined in subdivision 4303(2) of this title, including mixed-use development, to exceed density limitations for residential developments by an additional 40 percent, rounded up to the nearest whole unit, which shall include exceeding maximum height limitations by one floor, provided that the structure complies with the Vermont Fire and Building Safety Code.

(14) No zoning or subdivision bylaw shall have the effect of prohibiting unrelated occupants from residing in the same dwelling unit.

Sec. 53. 24 V.S.A. § 4413 is amended to read:

§ 4413. LIMITATIONS ON MUNICIPAL BYLAWS

(a)(1) The following uses may be regulated only with respect to location, size, height, building bulk, yards, courts, setbacks, density of buildings, off-street parking, loading facilities, traffic, noise, lighting, landscaping, and screening requirements, and only to the extent that regulations do not have the effect of interfering with the intended functional use:

(A) State- or community-owned and -operated institutions and facilities;

(B) public and private schools and other educational institutions certified by the Agency of Education;

(C) churches and other places of worship, convents, and parish houses;

(D) public and private hospitals;

(E) regional solid waste management facilities certified under 10 V.S.A. chapter 159;

(F) hazardous waste management facilities for which a notice of intent to construct has been received under 10 V.S.A. § 6606a; ~~and~~

(G) emergency shelters; and

(H) hotels and motels converted to permanently affordable housing developments.

* * *

Sec. 54. 24 V.S.A. § 4428 is added to read:

§ 4428. PARKING BYLAWS

(a) Parking regulation. Consistent with section 4414 of this title and with this section, a municipality may regulate parking.

(b) Parking space size standards. For the purpose of residential parking, a municipality shall define a standard parking space as not larger than nine feet by 18 feet, however a municipality may allow a portion of parking spaces to be smaller for compact cars or similar use. A municipality may require a larger space wherever American with Disabilities Act-compliant spaces are required.

(c) Existing nonconforming parking. A municipality shall allow an existing nonconforming parking space to count toward the parking requirement of an existing residential building if new residential units are added to the building.

(d) Adjacent lots. A municipality may allow a person with a valid legal agreement for use of parking spaces in an adjacent or nearby lot to count toward the parking requirement of a residential building.

Sec. 55. 2023 Acts and Resolves No. 47, Sec. 1 is amended to read:

Sec. 1. 24 V.S.A. § 4414 is amended to read:

§ 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

* * *

(4) Parking and loading facilities. A municipality may adopt provisions setting forth standards for permitted and required facilities for off-street parking and loading, which may vary by district and by uses within each district. In any district that is served by municipal sewer and water infrastructure that allows residential uses, a municipality shall not require more than one parking space per dwelling unit. However, a municipality may require 1.5 parking spaces for duplexes and multiunit dwellings in areas not served by sewer and water, and in areas that are located more than one-quarter mile away from public parking. The number of parking spaces shall be

rounded up to the nearest whole number when calculating the total number of spaces. These bylaws may also include provisions covering the location, size, design, access, landscaping, and screening of those facilities. In determining the number of parking spaces for nonresidential uses and size of parking spaces required under these regulations, the appropriate municipal panel may take into account the existence or availability of employer "transit pass" and rideshare programs, public transit routes, and public parking spaces in the vicinity of the development.

* * *

Sec. 56. 2023 Acts and Resolves No. 81, Sec. 10 is amended to read:

Sec. 10. 2023 Acts and Resolves No. 47, Sec. 47 is amended to read:

Sec. 47. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that:

(1) Sec. 1 (24 V.S.A. § 4414) shall take effect on ~~December~~ July 1, 2024.

* * *

Sec. 57. 24 V.S.A. § 4429 is added to read:

§ 4429. LOT COVERAGE BYLAWS

A municipality shall allow for a lot coverage bonus of 10 percent on lots that allow access to new or subdivided lots without road frontage.

Sec. 58. 24 V.S.A. § 4464 is amended to read:

§ 4464. HEARING AND NOTICE REQUIREMENTS; DECISIONS AND CONDITIONS; ADMINISTRATIVE REVIEW; ROLE OF ADVISORY COMMISSIONS IN DEVELOPMENT REVIEW

* * *

(b) Decisions.

(1) The appropriate municipal panel may recess the proceedings on any application pending submission of additional information. The panel should close the evidence promptly after all parties have submitted the requested information. The panel shall adjourn the hearing and issue a decision within ~~45~~ 180 days after the ~~adjournment of the hearing, and failure of the panel to issue a decision within this period shall be deemed approval and shall be effective on the 46th day~~ complete application was submitted unless both the applicant and the panel agree to waive the deadline. Decisions shall be issued in writing and shall include a statement of the factual bases on which the appropriate municipal panel has made its conclusions and a statement of the

conclusions. The minutes of the meeting may suffice, provided the factual bases and conclusions relating to the review standards are provided in conformance with this subsection.

* * *

Sec. 59. 24 V.S.A. § 4465 is amended to read:

§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

* * *

(b) As used in this chapter, an "interested person" means any one of the following:

* * *

(4) Any ~~10~~ 25 persons who may be any combination of voters, residents, or real property owners within a municipality listed in subdivision (2) of this subsection who, by signed petition to the appropriate municipal panel of a municipality, the plan or a bylaw of which is at issue in any appeal brought under this title, allege that any relief requested by a person under this title, if granted, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality. This petition to the appropriate municipal panel must designate one person to serve as the representative of the petitioners regarding all matters related to the appeal. For purposes of this subdivision, an appeal shall not include the character of the area affected if the project has a residential component that includes affordable housing.

* * *

Sec. 60. [Deleted.]

Sec. 61. 10 V.S.A. § 8504 is amended to read:

§ 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

* * *

(k) Limitations on appeals. Notwithstanding any other provision of this section:

(1) there shall be no appeal from a District Commission decision when the Commission has issued a permit and no hearing was requested or held, or no motion to alter was filed following the issuance of an administrative amendment;

(2) a municipal decision regarding whether a particular application qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject to appeal;

(3) if a District Commission issues a partial decision under subsection 6086(b) of this title, any appeal of that decision must be taken within 30 days ~~of~~ following the date of that decision; and

(4) it shall be the goal of the Environmental Division to 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.

* * *

* * * Resilience Planning * * *

Sec. 62. 24 V.S.A. § 4306 is amended to read:

§ 4306. MUNICIPAL AND REGIONAL PLANNING AND RESILIENCE FUND

(a)(1) The Municipal and Regional Planning and Resilience Fund for the purpose of assisting municipal and regional planning commissions to carry out the intent of this chapter is hereby created in the State Treasury.

(2) The Fund shall be composed of 17 percent of the revenue from the property transfer tax under 32 V.S.A. chapter 231 and any monies from time to time appropriated to the Fund by the General Assembly or received from any other source, private or public. All balances at the end of any fiscal year shall be carried forward and remain in the Fund. Interest earned by the Fund shall be deposited in the Fund.

(3) Of the revenues in the Fund, each year:

(A) 10 percent shall be disbursed to the Vermont Center for Geographic Information;

(B) 70 percent shall be disbursed to the Secretary of Commerce and Community Development for performance contracts with regional planning commissions to provide regional planning services pursuant to section 4341a of this title; and

(C) 20 percent shall be disbursed to municipalities.

(b)(1) Allocations for performance contract funding to regional planning commissions shall be determined according to a formula to be adopted by rule under 3 V.S.A. chapter 25 by the Department for the assistance of the regional planning commissions. Disbursement of funding to regional planning commissions shall be predicated upon meeting performance goals and targets pursuant to the terms of the performance contract.

(2) Disbursement to municipalities shall be awarded annually on or before December 31 through a competitive program administered by the

Department providing the opportunity for any eligible municipality or municipalities to compete regardless of size, provided that to receive funds, a municipality:

(A) shall be confirmed under section 4350 of this title; or

(B)(i) shall use the funds for the purpose of developing a municipal plan to be submitted for approval by the regional planning commission, as required for municipal confirmation under section 4350 of this title; and

(ii) shall have voted at an annual or special meeting to provide local funds for municipal planning and resilience purposes and regional planning purposes.

(3) Of the annual disbursement to municipalities, an amount not to exceed 20 percent of the total may be disbursed to the Department to administer a program providing direct technical consulting assistance under retainer on a rolling basis to any eligible municipality to meet the requirements for designated neighborhood development area under chapter 76A of this title, provided that the municipality is eligible for funding under subdivision (2) of this subsection and meets funding guidelines established by the Department to ensure accessibility for lower capacity communities, municipal readiness, and statewide coverage.

(4) Of the annual disbursement to municipalities, the Department may allocate funding as bylaw modernization grants under section 4307 of this title.

(c) Funds allocated to municipalities shall be used for the purposes of:

(1) funding the regional planning commission in undertaking capacity studies;

(2) carrying out the provisions of subchapters 5 through 10 of this chapter;

(3) acquiring development rights, conservation easements, or title to those lands, areas, and strictures identified in either regional or municipal plans as requiring special consideration for provision of needed housing, aquifer protection, flood protection, climate resilience, open space, farmland preservation, or other conservation purposes; and

(4) reasonable and necessary costs of administering the Fund by the Department of Housing and Community Development, not to exceed six percent of the municipality allocation.

(d) Until July 1, 2027, the annual disbursement to municipalities shall:

(1) prioritize funding grants to municipalities that do not have zoning or subdivision bylaws to create zoning or subdivision bylaws;

(2) allow a regional planning commission to submit an application for disbursement on behalf of a municipality; and

(3) not require a municipality without zoning or subdivision bylaws to contribute matching funds in order to receive a grant.

Sec. 63. [Deleted.]

Sec. 64. [Deleted.]

* * * Designated Areas Update * * *

Sec. 65. REPEALS

(a) 24 V.S.A. chapter 76A (Historic Downtown Development) is repealed on July 1, 2034.

(b) 24 V.S.A. § 2792 (Vermont Downtown Development Board) is repealed on July 1, 2024.

Sec. 66. 24 V.S.A. chapter 139 is added to read:

CHAPTER 139. STATE COMMUNITY INVESTMENT PROGRAM

§ 5801. DEFINITIONS

As used in this chapter:

(1) "Community Investment Program" means the program established in this chapter, as adapted from the former State designated areas program formerly in chapter 76A of this title. Statutory references outside this chapter referring to the former State-designated downtown, village centers, and new town centers shall mean designated center, once established. Statutory references outside this chapter referring to the former State-designated neighborhood development areas and growth centers shall mean designated neighborhood, once established. The program shall extend access to benefits that sustain and revitalize existing buildings and maintain the basis of the program's primary focus on revitalizing historic downtowns, villages and surrounding neighborhoods by promoting smart growth development patterns and historic preservation practices vital to Vermont's economy, cultural landscape, equity of opportunity, and climate resilience.

(2) "Complete streets" or "complete street principles" has the same meaning as in 19 V.S.A. chapter 24.

(3) "Department" means the Department of Housing and Community Development.

(4) "Downtown center" or "village center" means areas on the regional plan future land use maps that may be designated as a center consistent with section 4348a of this title.

(5) "LURB" refers to the Land Use Review Board established pursuant to 10 V.S.A. § 6021.

(6) "Infill" means the use of vacant land or property or the redevelopment of existing buildings within a built-up area for further construction or land development.

(7) "Local downtown organization" means either a nonprofit corporation, or a board, council, or commission created by the legislative body of the municipality, whose primary purpose is to administer and implement the community reinvestment agreement and other matters regarding the revitalization of the downtown.

(8) "Planned growth area" means an area on the regional plan future land use maps required under section 4348a of this title, which may encompass a downtown center or village center on the regional future land use map and may be designated as a center or neighborhood, or both.

(9) "Regional plan future land use map" means the map prepared pursuant to section 4348a of this title.

(10) "Sprawl repair" means the redevelopment of lands with buildings, traffic and circulation, parking, or other land coverage in a pattern that is consistent with smart growth principles.

(11) "State Board" means the Vermont Community Investment Board established in section 5802 of this title.

(12) "State Designated Downtown and Village Center" or "center" means a contiguous downtown or village a portion of which is listed or eligible for listing in the national register of historic places area approved as part of the LURB review of regional plan future land use maps, which may include an approved preexisting designated designated downtown, village center, or designated new town center established prior to the approval of the regional plan future land use maps.

(13) "State designated neighborhood" or "neighborhood" means a contiguous geographic area approved as part of the Land Use Review Board review of regional plan future land use maps that is compact and adjacent and contiguous to a center.

(14) "Vermont Downtown Program" means a program within the Department that coordinates with Main Street America that helps support community investment and economic vitality while preserving the historic character of Vermont's downtowns. The Vermont Downtown Program provides downtowns with financial incentives, training, and technical assistance supporting local efforts to restore historic buildings, improve

housing, design walkable communities, and encourage economic development by incentivizing public and private investments.

(15) "Village area" means an area on the regional plan future land use maps adopted pursuant to section 4348a of this title, which may encompass a village center on the regional future land use map.

§ 5802. VERMONT COMMUNITY INVESTMENT BOARD

(a) A Vermont Community Investment Board, also referred to as the "State Board," is created to administer the provisions of this chapter. The State Board shall be composed of the following members or their designees:

(1) the Secretary of Commerce and Community Development;

(2) the Secretary of Transportation;

(3) the Secretary of Natural Resources;

(4) the Commissioner of Public Safety;

(5) the State Historic Preservation Officer;

(6) a member of the community designated by the Director of Racial Equity;

(7) a person, appointed by the Governor from a list of three names submitted by the Vermont Natural Resources Council and the Preservation Trust of Vermont;

(8) a person, appointed by the Governor from a list of three names submitted by the Vermont Association of Chamber of Commerce Executives;

(9) three public members representative of local government, one of whom shall be designated by the Vermont League of Cities and Towns and two of whom shall be appointed by the Governor;

(10) the Executive Director of the Vermont Bond Bank;

(11) the State Treasurer;

(12) a member of the Vermont Planners Association designated by the Association;

(13) a representative of a regional development corporation designated by the regional development corporations; and

(14) a representative of a regional planning commission designated by the Vermont Association of Planning and Development Agencies.

(b) The State Board shall elect a chair and vice chair from among its membership.

(c) The Department shall provide legal, staff, and administrative support to the State Board; shall produce guidelines to direct municipalities seeking to obtain designation under this chapter and for other purposes established by this chapter; and shall pay per diem compensation for board members pursuant to 32 V.S.A. § 1010(b).

(d) The State Board shall meet at least quarterly.

(e) The State Board shall have authority to adopt rules of procedure to use for appeal of its decisions and rules on handling conflicts of interest.

(f) In addition to any other duties confirmed by law, the State Board shall have the following duties:

(1) to serve as the funding and benefits coordination body for the State Community Investment Program;

(2) to review and comment on proposed regional plan future land use maps prepared by the regional planning commission and presented to the LURB for designated center and designated neighborhood recognition under 10 V.S.A. § 6033;

(3) to award tax credits under the 32 V.S.A. § 5930aa et seq.;

(4) to manage the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title; and

(5) to review and comment on LURB guidelines, rules, or procedures for the regional plan future land use maps as they relate to the designations under this chapter.

§ 5803. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS

(a) Designation established. A regional planning commission may apply to the LURB for approval and designation of all centers by submitting the regional plan future land use map adopted by the regional planning commission. The regional plan future land use map shall identify downtown centers and village centers as the downtown and village areas eligible for designation as centers. The Department and State Board shall provide comments to the LURB on areas eligible for center designation as provided under this chapter.

(b) Inclusions. The areas mapped by the regional planning commissions as a center shall allow for the designation of preexisting, designated downtowns, village centers and new town centers in existence on or before December 31, 2025.

(c) Exclusions. With the exception for preexisting, nonconforming designations approved prior to the establishment of the program under this

chapter or areas included in the municipal plan for the purposes of relocating a municipality's center for flood resiliency purposes, the areas eligible for designation benefits upon the LURB's approval of the regional plan future land use map for designation as a Center shall not include development that is disconnected from a Center and that lacks a pedestrian connection to the Center via a complete street.

(d) Approval. The LURB shall conduct its review pursuant to 10 V.S.A. § 6033.

(e) Transition. All designated downtowns, village centers, or new town centers existing as of December 31, 2025 will retain current benefits until December 31, 2026 or until approval of the regional future land use maps by the LURB, whichever comes first. All existing designations in effect December 31, 2025 will expire December 31, 2026 if the regional plan does not receive LURB approval under this chapter. All benefits for unexpired designated downtowns, village centers, and new town centers that are removed under this chapter shall remain in effect until July 1, 2034. Prior to June 30, 2026, no check-in or renewals shall be required for the preexisting designations. New applications for downtowns, villages, and new town centers may be approved by the State Board prior to the first public hearing on a regional future land use map or until December 31, 2025, whichever comes first.

(f) Benefits Steps. A center may receive the benefits associated with the steps in this section by meeting the established requirements. The Department shall review applications from municipalities to advance from Step One to Two and from Step Two to Three and issue written decisions. The Department shall issue a written administrative decision within 30 days following an application. If a municipal application is rejected by the Department, the municipality may appeal the administrative decision to the State Board. To maintain a downtown approved under chapter 76A after December 31, 2026, the municipality shall apply for renewal following a regional planning approval by the LURB and meet the program requirements. Step Three designations that are not approved for renewal revert to Step Two. The municipality may appeal the administrative decision of the Department to the State Board. Appeals of administrative decisions shall be heard by the State Board at the next meeting following a timely filing stating the reasons for the appeal. The State Board's decision is final. The Department shall issue guidance to administer these steps.

(1) Step One.

(A) Requirements. Step One is established to create an accessible designation for all villages throughout the State to become eligible for funding

and technical assistance to support site-based improvements and planning. All downtown and village centers shall automatically reach Step One upon approval of the regional plan future land use map by the LURB. Regional plan future land use maps supersede preexisting designated areas that may already meet the Step One requirement.

(B) Benefits. A center that reaches Step One is eligible for the following benefits:

(i) funding and technical assistance eligibility for site-based projects, including the Better Places Grant Program under section 5810 of this chapter, access to the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq., and other programs identified in the Department's guidance; and

(ii) funding priority for developing or amending the municipal plan, visioning, and assessments.

(2) Step Two.

(A) Requirements. Step Two is established to create a mid-level designation for villages throughout the State to increase planning and implementation capacity for community-scale projects. A center reaches Step Two if it:

(i) meets the requirements of Step One or if it has a designated village center or new town center under chapter 76A of this title upon initial approval of the regional plan future land use map and prior to December 31, 2026;

(ii) has a confirmed municipal planning process pursuant to 24 V.S.A. § 4350;

(iii) has a municipal plan with goals for investment in the center; and

(iv) a portion of the center is listed or eligible for listing in the National Register of Historic Places.

(B) Benefits. In addition to the benefits of Step One, a center that reaches Step Two is eligible for the following benefits:

(i) funding priority for bylaws and special-purpose plans, capital plans, and area improvement or reinvestment plans, including priority consideration for the Better Connections Program and other applicable programs identified by Department guidance;

(ii) funding priority for infrastructure project scoping, design, engineering, and construction by the State Program and State Board;

(iii) the authority to create a special taxing district pursuant to chapter 87 of this title for the purpose of financing both capital and operating costs of a project within the boundaries of a center;

(iv) priority consideration for State and federal affordable housing funding;

(v) authority for the municipal legislative body to establish speed limits of less than 25 mph within the center under 23 V.S.A. § 1007(g);

(vi) State wastewater permit fees capped at $50.00 for residential development under 3 V.S.A. § 2822;

(vii) exemption from the land gains tax under 32 V.S.A. § 10002(p); and

(viii) assistance and guidance from the Department for establishing local historic preservation regulations.

(3) Step Three.

(A) Requirements. Step Three is established to create an advanced designation for downtowns throughout the State to create mixed-use centers and join the Vermont Downtown Program. A center reaches Step Three if the Department finds that it meets the following requirements:

(i) Meets the requirements of Step Two, or if it has an existing downtown designated under chapter 76A of this title in effect upon initial approval of the regional future land use map and prior to December 31, 2026.

(ii) Is listed or eligible for listing in the National Register of Historic Places.

(iii) Has a downtown improvement plan.

(iv) Has a downtown investment agreement.

(v) Has a capital program adopted under section 4430 of this title that implements the Step Three requirements.

(vi) Has a local downtown organization with an organizational structure necessary to sustain a comprehensive long-term downtown revitalization effort, including a local downtown organization that will collaborate with municipal departments, local businesses, and local nonprofit organizations. The local downtown organization shall work to:

(I) enhance the physical appearance and livability of the area by implementing local policies that promote the use and rehabilitation of historic and existing buildings, by developing pedestrian-oriented design requirements, by encouraging new development and infill that satisfy such

design requirements, and by supporting long-term planning that is consistent with the goals set forth in section 4302 of this title;

(II) build consensus and cooperation among the many groups and individuals who have a role in the planning, development, and revitalization process;

(III) market the assets of the area to customers, potential investors, new businesses, local citizens, and visitors;

(IV) strengthen, diversify, and increase the economic activity within the downtown; and

(V) measure annually progress and achievements of the revitalization efforts as required by Department guidelines.

(vii) Has available public water and wastewater service and capacity.

(viii) Has permanent zoning and subdivision bylaws.

(ix) Has adopted historic preservation regulations for the district with a demonstrated commitment to protect and enhance the historic character of the downtown through the adoption of bylaws that adequately meet the historic preservation requirements in subdivisions 4414(1)(E) and (F) of this title, unless recognized by the program as a preexisting designated new town center.

(x) Has adopted design or form-based regulations that adequately regulate the physical form and scale of development with compact lot, building, and unit density, building heights, and complete streets.

(B) Benefits. In addition to the benefits of Steps One and Two, a municipality that reaches Step Three is eligible for the following benefits:

(i) Funding for the local downtown organization and technical assistance from the Vermont Downtown Program for the center.

(ii) A reallocation of receipts related to the tax imposed on sales of construction materials as provided in 32 V.S.A. § 9819.

(iii) Eligibility to receive National Main Street Accreditation from Main Street America through the Vermont Downtown Program.

(iv) Signage options pursuant to 10 V.S.A. § 494(13) and (17).

(v) Housing appeal limitations as described in chapter 117 of this title.

(vi) Highest priority for locating proposed State functions by the Commissioner of Buildings and General Services or other State officials, in

consultation with the municipality, Department, State Board, the General Assembly committees of jurisdiction for the Capital Budget, and the regional planning commission. When a downtown location is not suitable, the Commissioner shall issue written findings to the consulted parties demonstrating how the suitability of the State function to a downtown location is not feasible.

(vii) Funding for infrastructure project scoping, design, and engineering, including participation in the Downtown Transportation and Related Capital Improvement Fund Program established by section 5808 of this title.

§ 5804. DESIGNATED NEIGHBORHOOD

(a) Designation established.

(1) A regional planning commission may request approval from the LURB for designation of areas on the regional plan future land use maps as a designated neighborhood under 10 V.S.A. § 6033. Areas eligible for designation include planned growth areas and village areas identified on the regional plan future land use map. This designation recognizes that the vitality of downtowns and villages is supported by adjacent and walkable neighborhoods and that the benefits structure must ensure that investments for sprawl repair or infill development within a neighborhood is secondary to a primary purpose to maintain the vitality and livability and maximize the climate resilience and infill potential of centers.

(2) Approval of planned growth areas and village areas as designated neighborhoods shall follow the same process as approval for designated centers provided for in 10 V.S.A. § 6033 and consistent with sections 4348 and 4348a of this title.

(b) Transition. All designated growth center or neighborhood development areas existing as of December 31, 2025 will retain current benefits until December 31, 2026 or upon approval of the regional plan future land use maps, whichever comes first. All existing neighborhood development area and growth center designations in effect on December 31, 2025 will expire on December 31, 2026 if the regional plan future land use map is not approved. All benefits that are removed for unexpired neighborhood development areas and growth centers under this chapter shall remain active with prior designations existing as of December 31, 2025 until December 31, 2034. Prior to December 31, 2026, no check- ins or renewal shall be required for the existing designations. New applications for neighborhood development area designations may be approved by the State Board prior to the first hearing for a regional plan adoption or until December 31, 2025, whichever comes first.

(c) Requirements. A designated neighborhood shall meet the requirements for planned growth area or village area as described in section 4348a of this title.

(d) Benefits. A designated neighborhood is eligible for the following benefits:

(1) funding priority for bylaws and special-purpose plans, capital plans, and area improvement or reinvestment plans, including priority consideration for the Better Connections Program and other applicable programs identified by Department guidance;

(2) funding priority for Better Connections and other infrastructure project scoping, design, engineering, and construction by the State Community Investment Program and Board;

(3) eligibility for the Downtown and Village Center Tax Credit Program described in 32 V.S.A. § 5930aa et seq.;

(4) priority consideration for State and federal affordable housing funding;

(5) certain housing appeal limitations under chapter 117 of this title;

(6) authority for the municipal legislative body to lower speed limits to less than 25 mph within the neighborhood;

(7) State wastewater application fee capped at $50.00 for residential development under 3 V.S.A. § 2822(j)(4)(D);

(8) exclusion from the land gains tax provided by 32 V.S.A. § 10002(p); and

(9) the authority to create a special taxing district pursuant to chapter 87 of this title for the purpose of financing both capital and operating costs of a project within the boundaries of a neighborhood.

§ 5805. GRANTS AND GIFTS

The Department of Housing and Community Development may accept funds, grants, gifts, or donations of up to $10,000.00 from individuals, corporations, foundations, governmental entities, or other sources, on behalf of the Community Planning and Revitalization Division to support trainings, conferences, special projects, and initiatives.

§ 5806. DESIGNATION DATA CENTER

The Department, in coordination with the LURB, shall maintain an online municipal planning data center publishing approved regional plan future land

use maps adoptions and amendments and indicating the status of each approved designation within the region, and associated steps for centers.

§ 5807. BETTER PLACES PROGRAM; CROWD GRANTING

(a)(1) There is created the Better Places Program within the Department of Housing and Community Development, and the Better Places Fund, which the Department shall manage pursuant to 32 V.S.A. chapter 7, subchapter 5. This shall be the same Fund created under the prior section 2799 of this title.

(2) The purpose of the Program is to utilize crowdfunding to spark community revitalization through collaborative grantmaking for projects that create, activate, or revitalize public spaces.

(3) The Department may administer the Program in coordination with and support from other State agencies and nonprofit and philanthropic partners.

(b) The Fund is composed of the following:

(1) State or federal funds appropriated by the General Assembly;

(2) gifts, grants, or other contributions to the Fund; and

(3) any interest earned by the Fund.

(c) As used in this section, "public space" means an area or place that is open and accessible to all persons with no charge for admission and includes village greens, squares, parks, community centers, town halls, libraries, and other publicly accessible buildings and connecting spaces such as sidewalks, streets, alleys, and trails.

(d)(1) The Department of Housing and Community Development shall establish an application process, eligibility criteria, and criteria for prioritizing assistance for awarding grants through the Program.

(2) The Department may award a grant to a municipality, a nonprofit organization, or a community group with a fiscal sponsor for a project that is located in or serves an area designated under this chapter that will create a new public space or revitalize or activate an existing public space.

(3) The Department may award a grant to not more than three projects per calendar year within a municipality.

(4) The minimum amount of a grant award is $5,000.00, and the maximum amount of a grant award is $40,000.00.

(5) The Department shall develop matching grant eligibility requirements to ensure a broad base of community and financial support for the project, subject to the following:

(A) A project shall include in-kind support and matching funds raised through a crowdfunding approach that includes multiple donors.

(B) An applicant may not donate to its own crowdfunding campaign.

(C) A donor may not contribute more than $10,000.00 or 35 percent of the campaign goal, whichever is less.

(D) An applicant shall provide matching funds raised through crowdfunding of not less than 33 percent of the grant award. The Department may require a higher percent of matching funds for certain project areas to ensure equitable distribution of resources across Vermont.

(e) The Department of Housing and Community Development, with the assistance of a fiscal agent, shall distribute funds under this section in a manner that provides funding for projects of various sizes in as many geographical areas of the State as possible.

(f) The Department of Housing and Community Development may use up to 15 percent of any appropriation to the Fund from the General Fund to assist with crowdfunding, administration, training, and technological needs of the Program.

Sec. 67. MUNICIPAL TECHNICAL ASSISTANCE REPORT

(a) On or before December 31, 2025, the Commissioner of Housing and Community Development shall develop recommendations for providing coordinated State agency technical assistance to municipalities participating in the programs under 24 V.S.A. chapter 139 to the Senate Committee on Natural Resources and Energy and the House Committee on Environment and Energy.

(b) The recommendations shall address effective procedures for interagency coordination to support municipal community investment, revitalization, and development including coordination for:

(1) general project advising;

(2) physical improvement planning design;

(3) policy making; and

(4) project management.

(c) The recommendations shall support the implementation of State agency plans and the following strategic priorities for municipal and community investment, revitalization, and development assistance:

(1) housing development growth;

(2) climate resilience;

(3) public infrastructure investment;

(4) local administrative capacity;

(5) equity, diversity, and access;

(6) livability and social service; and

(7) historic preservation.

* * * Tax Credits * * *

Sec. 68. 32 V.S.A. § 5930aa is amended to read:

§ 5930aa. DEFINITIONS

As used in this subchapter:

* * *

(2) "Qualified building" means a building built at least 30 years before the date of application, located within a designated ~~downtown, village center, or neighborhood development area~~ center or neighborhood, which, upon completion of the project supported by the tax credit, will be an income-producing building not used solely as a single-family residence. Churches and other buildings owned by a religious organization may be qualified buildings, but in no event shall tax credits be used for religious worship.

(3) "Qualified code improvement project" means a project:

(A) to install or improve platform lifts suitable for transporting personal mobility devices, limited use or limited application elevators, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the Department of Public Safety;

(B) to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; or

(C) to redevelop a contaminated property in a designated ~~downtown, village center, or neighborhood development area~~ center or neighborhood

under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

* * *

(5) "Qualified façade improvement project" means the rehabilitation of the façade of a qualified building that contributes to the integrity of the designated ~~downtown, designated village center, or neighborhood development area~~ center or neighborhood. Façade improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places must be consistent with the Secretary of the Interior Standards, as determined by the Vermont Division for Historic Preservation.

* * *

(9) "State Board" means the Vermont ~~Downtown Development~~ Community Investment Board established pursuant to 24 V.S.A. chapter ~~76A~~ 139.

Sec. 69. 32 V.S.A. § 5930aa(6) is amended to read:

(6) "Qualified Flood Mitigation Project" means any combination of structural and nonstructural changes to a qualified building ~~located within the flood hazard area as mapped by the Federal Emergency Management Agency~~ that reduces or eliminates flood damage to the building or its contents. This may include relocation of HVAC, electrical, plumbing, and other building systems, and equipment above the flood level; repairs or reinforcement of foundation walls, including flood gates; or elevation of an entire eligible building above the flood level. Further eligible projects may be defined via program guidance. The project shall comply with the municipality's adopted flood hazard bylaw, if applicable, and a certificate of completion shall be submitted by a registered engineer, architect, qualified contractor, or qualified local official to ~~the State Board~~ program staff. Improvements to qualified buildings listed, or eligible for listing, in the State or National Register of Historic Places shall be consistent with Secretary of the Interior's Standards for Rehabilitation, as determined by the Vermont Division for Historic Preservation.

Sec. 70. 32 V.S.A. § 5930bb is amended to read:

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for a qualified project at any time before the completion of the qualified project.

(b) To qualify for any of the tax credits under this subchapter, expenditures for the qualified project must exceed $5,000.00.

(c) Application shall be made in accordance with the guidelines set by the State Board.

(d) ~~Notwithstanding any other provision of this subchapter, qualified applicants may apply to the State Board at any time prior to June 30, 2013, to obtain a tax credit not otherwise available under subsections 5930cc(a)-(c) of this title of 10 percent of qualified expenditures resulting from damage caused by a federally declared disaster in Vermont in 2011. The credit shall only be claimed against the taxpayer's State individual income tax under section 5822 of this title. To the extent that any allocated tax credit exceeds the taxpayer's tax liability for the first tax year in which the qualified project is completed, the taxpayer shall receive a refund equal to the unused portion of the tax credit. If within two years after the date of the credit allocation no claim for a tax credit or refund has been filed, the tax credit allocation shall be rescinded and recaptured pursuant to subdivision 5930ee(6) of this title. The total amount of tax credits available under this subsection shall not be more than $500,000.00 and shall not be subject to the limitations contained in subdivision 5930ee(2) of this subchapter.~~

~~(e)~~ Beginning on July 1, 2025, under this subchapter no new tax credit may be allocated by the State Board to a qualified building located in a neighborhood development area unless specific funds have been appropriated for that purpose.

Sec. 71. 32 V.S.A. § 5930cc is amended to read:

§ 5930cc. DOWNTOWN AND VILLAGE CENTER PROGRAM TAX CREDITS

* * *

(c) Code improvement tax credit. The qualified applicant of a qualified code improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of $12,000.00 for installation or improvement of a platform lift, a maximum credit of $60,000.00 for the installation or improvement of a limited use or limited application elevator, a maximum tax credit of $75,000.00 for installation or improvement of an elevator, a maximum tax credit of $50,000.00 for installation or improvement of a sprinkler system, and a maximum tax credit of ~~$50,000.00~~ $100,000.00 for the combined costs of all other qualified code improvements.

(d) Flood Mitigation Tax Credit. The qualified applicant of a qualified flood mitigation project shall be entitled, upon the approval of the State Board,

to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of ~~$75,000.00~~ $100,000.00.

Sec. 72. [Deleted.]

Sec. 73. 32 V.S.A. § 9602 is amended to read:

§ 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

A tax is hereby imposed upon the transfer by deed of title to property located in this State, or a transfer or acquisition of a controlling interest in any person with title to property in this State. The amount of the tax equals one and one-quarter percent of the value of the property transferred, or $1.00, whichever is greater, except as follows:

(1) With respect to the transfer of property to be used for the principal residence of the transferee, the tax shall be imposed at the rate of five-tenths of one percent of the first $100,000.00 in value of the property transferred and at the rate of one and one-quarter percent of the value of the property transferred in excess of $100,000.00; except that no tax shall be imposed on the first ~~$110,000.00~~ $150,000.00 in value of the property transferred if the purchaser obtains a purchase money mortgage funded in part with a homeland grant through the Vermont Housing and Conservation Trust Fund or that the Vermont Housing and Finance Agency or U.S. Department of Agriculture and Rural Development has committed to make or purchase; and tax at the rate of one and one-quarter percent shall be imposed on the value of that property in excess of ~~$110,000.00~~ $150,000.00.

* * *

(4) Tax shall be imposed at the rate of two and one-half percent of the value of the property transferred with respect to transfers of:

(A) residential property that is fit for habitation on a year-round basis;

(B) will not be used as the principal residence of the transferee; and

(C) for which the transferee will not be required to provide a landlord certificate pursuant to section 6069 of this title,.

Sec. 74. ALLOCATIONS; PROPERTY TRANSFER TAX

Notwithstanding 10 V.S.A. § 312, 24 V.S.A. § 4306(a), 32 V.S.A. § 9610(c), or any other provision of law to the contrary, amounts in excess of $32,954,775.00 from the property transfer tax shall be transferred into the General Fund. Of this amount:

(1) $5,113,510.00 shall be transferred from the General Fund into the Vermont Housing and Conservation Trust Fund.

(2) $1,279,740.00 shall be transferred from the General Fund into the Municipal and Regional Planning Fund.

Sec. 75. [Deleted.]

Sec. 76. [Deleted.]

Sec. 77. 32 V.S.A. § 9610 is amended to read:

§ 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF RETURNS

* * *

(c) Prior to distributions of property transfer tax revenues under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, two percent of the revenues received from the property transfer tax shall be deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs.

(d)(1) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and ~~subsection~~ subsections (c) and (e) of this section, $2,500,000.00 of the revenue received from the property transfer tax shall be transferred to the Vermont Housing Finance Agency to pay the principal of and interest due on the bonds, notes, and other obligations authorized to be issued by the Agency pursuant to 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and Conservation Board shall use to create affordable housing pursuant to 10 V.S.A. § 314.

(2) As long as the bonds, notes, and other obligations incurred pursuant to subdivision (1) of this subsection remain outstanding, the rate of tax imposed pursuant to section 9602 of this title shall not be reduced below a rate estimated, at the time of any reduction, to generate annual revenues of at least $12,000,000.00.

(e) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and subsection (c) of this section, $900,000.00 of the revenue received from the property transfer tax shall be transferred to the Act 250 Permit Fund established under 10 V.S.A. § 6029. Prior to a transfer under this subsection, the Commissioner shall adjust the amount transferred according to the percent change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) by determining the increase or decrease, to the nearest one-tenth of a percent, for the month ending on June 30 in the calendar year

one year prior to the first day of the fiscal year for which the transfer will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the transfer will be made.

Sec. 78. 10 V.S.A. § 6029 is amended to read:

§ 6029. ACT 250 PERMIT FUND

There is hereby established a special fund to be known as the Act 250 Permit Fund for the purposes of implementing the provisions of this chapter. ~~Revenues to the fund~~ The Fund shall be composed of the revenue deposited pursuant to 32 V.S.A. § 9610(e), those fees collected in accordance with section 6083a of this title, gifts, appropriations, and copying and distribution fees. The Board shall be responsible for the Fund and shall account for revenues and expenditures of the Board. At the Commissioner's discretion, the Commissioner of Finance and Management may anticipate amounts to be collected and may issue warrants based thereon for the purposes of this section. Disbursements from the Fund shall be made through the annual appropriations process to the Board and to the Agency of Natural Resources to support those programs within the Agency that directly or indirectly assist in the review of Act 250 applications. This Fund shall be administered as provided in 32 V.S.A. chapter 7, subchapter 5.

Sec. 79. 32 V.S.A. § 3800(q) is added to read:

(q) The statutory purpose of the exemption under 32 V.S.A. chapter 125, subchapter 3 for new construction or rehabilitation is to lower the cost of new construction or rehabilitation of residential properties in flood-impacted communities.

Sec. 80. 32 V.S.A. chapter 125, subchapter 3 is added to read:

Subchapter 3. New Construction or Rehabilitation in Flood-Impacted Communities

§ 3870. DEFINITIONS

As used in this subchapter:

(1) "Agency" means the Agency of Commerce and Community Development as established under 3 V.S.A. § 2402.

(2) "Appraisal value" has the same meaning as in subdivision 3481(1)(A) of this title.

(3) "Exemption period" has the same meaning as in subsection 3871(d) of this subchapter.

(4) "New construction" means the building of new dwellings.

(5) "Principal residence" means the dwelling occupied by a resident individual as the individual's domicile during the taxable year and for a property owner, owned, or for a renter, rented under a rental agreement other than a short-term rental as defined under 18 V.S.A. § 4301(a)(14).

(6)(A) "Qualifying improvement" means new construction or a physical change to an existing dwelling or other structure beyond normal and ordinary maintenance, painting, repairs, or replacements, provided the change:

(i) results in new or rehabilitated dwellings that are designed to be occupied as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14); and

(ii) occurred through new construction or rehabilitation, or both, during the 12 months immediately preceding or immediately following submission of an exemption application under this subchapter.

(B) "Qualifying improvement" does not mean new construction or a physical change to any portion of a mixed-use building as defined under 10 V.S.A. § 6001(28) that is not used as a principal residence.

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

(i) located within, 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.

(8) "Rehabilitation" means extensive repair, reconstruction, or renovation of an existing dwelling or other structure, with or without demolition, new construction, or enlargement, provided the repair, reconstruction, or renovation:

(A) is for the purpose of eliminating substandard structural, housing, or unsanitary conditions or stopping significant deterioration of the existing structure; and

(B) equals or exceeds a total cost of 15 percent of the grand list value prior to repair, reconstruction, or renovation or $75,000.00, whichever is less.

(9) "Taxable value" means the value of qualifying property that is taxed during the exemption period.

§ 3871. EXEMPTION

(a) Value increase exemption. An increase in the appraisal value of a qualifying property due to qualifying improvements shall be exempted from property taxation pursuant to this subchapter by fixing and maintaining the taxable value of the qualifying property at the property's grand list value in the year immediately preceding any qualifying improvements. A decrease in appraisal value of a qualifying property due to damage or destruction from fire or act of nature may reduce the qualifying property's taxable value below the value fixed under this subsection.

(b) State education property tax exemption. The appraisal value of qualifying improvements to qualifying property shall be exempt from the State education property tax imposed under chapter 135 of this title as provided under this subchapter. The appraisal value exempt under this subsection shall not be exempt from municipal property taxation unless the qualifying property is located in a municipality that has voted to approve an exemption under subsection (c) of this section.

(c) Municipal property tax exemption. If the legislative body of a municipality by a majority vote recommends, the voters of a municipality may, at an annual or special meeting warned for that purpose, adopt by a majority vote of those present and voting an exemption from municipal property tax for the value of qualifying improvements to qualifying property exempt from State property taxation under subsection (b) of this section. The municipal exemption shall remain in effect until rescinded in the same manner the exemption was adopted. Not later than 30 days after the adjournment of a meeting at which a municipal exemption is adopted or rescinded under this subsection, the town clerk shall report to the Director of Property Valuation and Review and the Agency the date on which the exemption was adopted or rescinded.

(d) Exemption period.

(1) An exemption under this subchapter shall start in the first property tax year immediately following the year in which an application for exemption under section 3872 of this title is approved and one of the following occurs:

(A) issuance of a certificate of occupancy by the municipal governing body for the qualifying property; or

(B) the property owner's declaration of ownership of the qualifying property as a homestead pursuant to section 5410 of this title.

(2) An exemption under this subchapter shall remain in effect for three years, provided the property continues to comply with the requirements of this

subchapter. When the exemption period ends, the property shall be taxed at its most recently appraised grand list value.

(3) The municipal exemption period for a qualifying property shall start and end at the same time as the State exemption period; provided that, if a municipality first votes to approve a municipal exemption after the State exemption period has already started for a qualifying property, the municipal exemption shall only apply after the vote and notice requirements have been met under subsection (c) of this section and shall only continue until the State exemption period ends.

§ 3872. ADMINISTRATION AND CERTIFICATION

(a) To be eligible for exemption under this subchapter, a property owner shall:

(1) submit an application to the Agency of Commerce and Community Development in the form and manner determined by the Agency, including certification by the property owner that the property and improvements qualify for exemption at the time of application and annually thereafter until the exemption period ends; and

(2) the certification shall include an attestation under the pains and penalties of perjury that the property will be used in the manner provided under this subchapter during the exemption period, including occupancy of dwellings as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14), and that the property owner will either provide alternative housing for tenants at the same rent or that the property has been unoccupied either by a tenant's choice or for 60 days prior to the application. A certification by the property owner granted under this subdivision shall:

(A) be coextensive with the exemption period;

(B) require notice to the Agency of the transfer or assignment of the property prior to transfer, which shall include the transferee's or assignee's full names, phone numbers, and e-mail and mailing addresses;

(C) require notice to any prospective transferees or assignees of the property of the requirements of the exemption under this subchapter; and

(D) require a new certification to be signed by the transferees or assignees of the property.

(b) The Agency shall establish and make available application forms and procedures necessary to verify initial and ongoing eligibility for exemption under this subchapter. Not later than 60 days after receipt of a completed application, the Agency shall determine whether the property and any proposed improvements qualify for exemption and shall issue a written

decision approving or denying the exemption. The Agency shall notify the property owner, the municipality where the property is located, and the Commissioner of Taxes of its decision.

(c) If the property owner fails to use the property according to the terms of the certification, the Agency shall, after notifying the property owner, determine whether to revoke the exemption. If the exemption is revoked, the Agency shall notify the property owner, the municipality where the property is located, and the Commissioner of Taxes. Upon notification of revocation, the Commissioner shall assess to the property owner:

(1) all State and municipal property taxes as though no exemption had been approved, including for any exemption period that had already begun; and

(2) interest pursuant to section 3202 of this title on previously exempt taxes.

(d) No new applications for exemption shall be approved pursuant to this subchapter after December 31, 2027.

Sec. 81. 32 V.S.A. § 4152(a) is amended to read:

(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:

* * *

(6) For those parcels that are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of this title or what the full listed value of the property would be absent the exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends; provided that, for parcels exempt under chapter 125, subchapter 3 of this title, the insurance replacement value shall not be substituted for the full listed value of the property absent the exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes.

* * *

Sec. 82. REPEALS; NEW CONSTRUCTION OR REHABILITATION EXEMPTION

The following are repealed on July 1, 2037:

(1) 32 V.S.A. § 3800(q) (statutory purpose); and

(2) 32 V.S.A. chapter 125, subchapter 3 (new construction or rehabilitation exemption).

Sec. 83. 32 V.S.A. § 4152(a) is amended to read:

(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:

* * *

(6) For those parcels that are exempt, the insurance replacement value reported to the local assessing officials by the owner under section 3802a of this title or what the full listed value of the property would be absent the exemption and the statutory authority for granting such exemption and, for properties exempt pursuant to a vote, the year in which the exemption became effective and the year in which the exemption ends~~; provided that, for parcels exempt under chapter 125, subchapter 3 of this title, the insurance replacement value shall not be substituted for the full listed value of the property absent the exemption and the grand list shall indicate whether the exemption applies to the State property tax or both the State and municipal property taxes~~.

Sec. 84. [Deleted.]

Sec. 85. [Deleted.]

* * * Housing Programs * * *

Sec. 86. 10 V.S.A. § 699 is amended to read:

§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

(a) Creation of Program.

(1) The Department of Housing and Community Development shall design and implement the Vermont Rental Housing Improvement Program, through which the Department shall award funding to statewide or regional nonprofit housing organizations, or both, to provide competitive grants and forgivable loans to private landlords for the rehabilitation, including weatherization and accessibility improvements, of eligible rental housing units.

(2) The Department shall develop statewide standards for the Program, including factors that partner organizations shall use to evaluate applications and award grants and forgivable loans.

(3) A landlord shall not offer a unit created through the Program as a short-term rental, as defined in 18 V.S.A. § 4301, for the period a grant or loan agreement is in effect.

(4) The Department may utilize a reasonable percentage, up to a cap of five percent, of appropriations made to the Department for the Program to administer the Program.

(5) The Department may cooperate with and subgrant funds to State agencies and governmental subdivisions and public and private organizations in order to carry out the purposes of this subsection.

(b) Eligible rental housing units. The following units are eligible for a grant or forgivable loan through the Program:

(1) Non-code compliant.

(A) The unit is an existing unit, whether or not occupied, that does not comply with the requirements of applicable building, housing, or health laws.

(B) If the unit is occupied, the grant or forgivable loan agreement shall include terms:

* * *

(d) Program requirements applicable to grants and forgivable loans.

(1)(A) A grant or loan shall not exceed:

(i) $70,000.00 per unit, for rehabilitation or creation of an eligible rental housing unit meeting the applicable building accessibility requirements under the Vermont Access Rules; or

(ii) $50,000.00 per unit, for rehabilitation or creation of any other eligible rental housing unit.

(B) In determining the amount of a grant or loan, a housing organization shall consider the number of bedrooms in the unit ~~and~~, whether the unit is being rehabilitated or newly created, whether the project includes accessibility improvements, and whether the unit is being converted from nonresidential to residential purposes.

(2) A landlord shall contribute matching funds or in-kind services that equal or exceed 20 percent of the value of the grant or loan.

(3) A project may include a weatherization component.

(4) A project shall comply with applicable building, housing, and health laws.

(5) The terms and conditions of a grant or loan agreement apply to the original recipient and to a successor in interest for the period the grant or loan agreement is in effect.

(6) The identity of a recipient ~~and,~~ the amount of a grant or forgivable loan, the year in which the grant or forgivable loan was extended, and the year in which any affordability covenant ends are public records that shall be available for public copying and inspection and the Department shall publish this information at least quarterly on its website.

(7) A project for rehabilitation or creation of an accessible unit may apply funds to the creation of a parking spot for individuals with disabilities.

(e) Program requirements applicable to grants and five-year forgivable loans. For a grant or five-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of five years:

(1) A landlord shall coordinate with nonprofit housing partners and local coordinated entry organizations to identify potential tenants.

(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a landlord shall lease the unit to a household that is:

(i) exiting homelessness ~~or~~, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;

(ii) actively working with an immigrant or refugee resettlement program; or

(iii) composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household ~~exiting homelessness~~ under subdivision (A) of this subdivision (2) is not available to lease the unit, then the landlord shall lease the unit:

(i) to a household with an income equal to or less than 80 percent of area median income; or

(ii) if such a household is unavailable, to another household with the approval of the Department or housing organization.

(3)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.

(B) If no housing voucher or federal or State subsidy is available, the total cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.

(4)(A) A landlord may convert a grant to a forgivable loan upon approval of the Department and the housing organization that approved the grant.

(B) A landlord who converts a grant to a forgivable loan shall receive a ~~10-percent~~ prorated credit for loan forgiveness for each year in which the landlord participates in the ~~grant program~~ Program.

(f) Requirements applicable to 10-year forgivable loans. For a 10-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of 10 years:

(1) A landlord shall coordinate with nonprofit housing partners and local coordinated entry organizations to identify potential tenants.

(2)(A) Except as provided in subdivision (2)(B) of this subsection (f), a landlord shall lease the unit to a household that is:

(i) exiting homelessness, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;

(ii) actively working with an immigrant or refugee resettlement program; or

(iii) composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household under subdivision (2)(A) of this subsection (f) is not available to lease the unit, then the landlord shall lease the unit:

(i) to a household with an income equal to or less than 80 percent of area median income; or

(ii) if such a household is unavailable, to another household with the approval of the Department or housing organization.

(3)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.

(B) If no housing voucher or federal or State subsidy is available, the cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.

~~(2)~~(4) The Department shall forgive 10 percent of the amount of a forgivable loan for each year a landlord participates in the loan program.

* * *

Sec. 87. [Deleted.]

Sec. 88. RESIDENT SERVICES PROGRAM

(a) The Agency of Human Services shall work in coordination with the Vermont Housing and Conservation Board to develop the Resident Services Program for the purpose of distributing funds to eligible affordable housing organizations to respond to timely and urgent resident needs and aid with housing retention.

(b) For purposes of this section, an "eligible affordable housing organization" is a Vermont-based nonprofit or public housing organization that makes available at least 15 percent of its affordable housing portfolio to, or a Vermont-based nonprofit that provides substantial services to, families and individuals experiencing homelessness, including those who require service support or rental assistance to secure and maintain their housing, consistent with the goal of Executive Order No. 03-16 (Publicly Funded Housing for the Homeless).

Sec. 89. 2023 Acts and Resolves No. 47, Sec. 36 is amended to read:

Sec. 36. MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT PROGRAM

* * *

(d) The total amount of subsidies for a project shall not exceed 35 percent of eligible development costs, as determined by the Agency~~, which the~~ at the time of approval of the project, unless the Agency later determines that the project will not result in affordable owner-occupied housing for income-eligible homebuyers without additional subsidy, in which case the Agency may, at its discretion, reasonably exceed this limitation and only to the extent required to achieve affordable owner-occupied housing. The Agency ~~may~~ shall allocate subsidies consistent with the following:

* * *

Sec. 90. APPROPRIATION; FIRST-GENERATION HOMEBUYER PROGRAM

The sum of $1,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for a grant to the Vermont Housing Finance Agency for the First-Generation Homebuyer Program established by 2022 Acts and Resolves No. 182, Sec. 2, and amended from time to time.

Sec. 91. APPROPRIATION; LAND ACCESS AND OPPORTUNITY BOARD

The sum of $1,000,000.00 is appropriated from the General Fund to the Vermont Housing and Conservation Board in fiscal year 2025 to administer and support the Land Access and Opportunity Board.

* * * Accessibility Priority for Housing Authorities * * *

Sec. 92. 24 V.S.A. § 4010 is amended to read:

§ 4010. DUTIES

(a) In the operation ~~of~~ or management of housing projects, an authority shall at all times observe the following duties with respect to rentals and tenant selection:

* * *

(6) When renting or leasing accessible dwelling accommodations, it shall give priority to tenants with a disability. As used in this subdivision, "accessible" means a dwelling that complies with the requirements for an accessible unit set forth in section 1102 of the 2017 ICC Standard for Accessible and Useable Buildings and Facilities or a similar standard adopted by the Access Board by rule pursuant to 20 V.S.A. § 2901.

* * *

* * * 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.

Sec. 94. [Deleted.]

Sec. 95. [Deleted.]

Sec. 96. [Deleted.]

Sec. 97. [Deleted.]

* * * Rental Data Collection and Protection * * *

Sec. 98. 32 V.S.A. § 6069 is amended to read:

§ 6069. LANDLORD CERTIFICATE

(a) On or before January 31 of each year, the owner of land rented as a portion of a homestead in the prior calendar year shall furnish a certificate of rent to the Department of Taxes and to each claimant who owned a portion of the homestead and rented that land as a portion of a homestead in the prior calendar year. The certificate shall indicate the proportion of total property tax on that parcel that was assessed for municipal property tax and for statewide property tax.

(b) The owner of each rental property shall, on or before January 31 of each year, furnish a certificate of rent to the Department of Taxes.

(c) A certificate under this section shall be in a form prescribed by the Commissioner and shall include the following:

(1) the name of the renter~~,~~;

(2) the address and any property tax parcel identification number of the homestead~~, the information required under subsection (f) of this section,~~;

(3) the name of the owner or landlord of the rental unit;

(4) the phone number, e-mail address, and mailing address of the landlord, as available;

(5) the location of the rental unit;

(6) the type of rental unit;

(7) the number of rental units in the building;

(8) the gross monthly rent per unit;

(9) the year in which the rental unit was built;

(10) the ADA accessibility of the rental unit; and

(11) any additional information that the Commissioner determines is appropriate.

(d) An owner who knowingly fails to furnish a certificate to the Department as required by this section shall be liable to the Commissioner for a penalty of $200.00 for each failure to act. Penalties under this subsection shall be assessed and collected in the manner provided in chapter 151 of this title for the assessment and collection of the income tax.

(e) [Repealed.]

(f) ~~Annually on or before October 31, the Department shall prepare and make available to a member of the public upon request a database in the form of a sortable spreadsheet that contains the following information for each rental unit for which the Department received a certificate pursuant to this section:~~

~~(1) name of owner or landlord;~~

~~(2) mailing address of landlord;~~

~~(3) location of rental unit;~~

~~(4) type of rental unit;~~

~~(5) number of units in building; and~~

~~(6) School Property Account Number.~~ Annually on or before December 15, the Department shall submit a report on the aggregated data collected under this section to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General and Housing.

Sec. 99. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

(a) No present or former officer, employee, or agent of the Department of Taxes shall disclose any return or return information to any person who is not an officer, employee, or agent of the Department of Taxes except in

accordance with the provisions of this section. A person who violates this section shall be fined not more than $1,000.00 or imprisoned for not more than one year, or both; and if the offender is an officer or employee of this State, the offender shall, in addition, be dismissed from office and be incapable of holding any public office for a period of five years thereafter.

(b) The following definitions shall apply for purposes of this chapter:

* * *

(3) "Return information" includes a person's name, address, date of birth, Social Security or federal identification number or any other identifying number; information as to whether or not a return was filed or required to be filed; the nature, source, or amount of a person's income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liabilities, tax payments, deficiencies, or over-assessments; and any other data, from any source, furnished to or prepared or collected by the Department of Taxes with respect to any person.

* * *

(e) The Commissioner may, in the Commissioner's discretion and subject to such conditions and requirements as the Commissioner may provide, including any confidentiality requirements of the Internal Revenue Service, disclose a return or return information:

* * *

(22) To the Agency of Natural Resources and the Department of Public Service, provided that the disclosure relates to the sales and use tax for aviation jet fuel and natural gas under chapter 233 of this title or to the fuel tax under 33 V.S.A. chapter 25 and is subject to any confidentiality requirements of the Internal Revenue Service and the disclosure exemption provisions of 1 V.S.A. § 317.

(23) To the Division of Vermont Emergency Management at the Department of Public Safety for the purposes of emergency management and communication, and to the Department of Housing and Community Development and any organization then under contract with the Department of Housing and Community Development to carry out a statewide housing needs assessment for the purpose of the statewide housing needs assessment, provided that the disclosure relates to the information collected on the landlord certificate pursuant to subsection 6069(c) of this title.

* * * Short-Term Rentals * * *

Sec. 100. 20 V.S.A. § 2676 is amended to read:

§ 2676. DEFINITION

As used in this chapter~~,~~:

(1) "~~rental~~ Rental housing" means:

~~(1)~~(A) a "premises" as defined in 9 V.S.A. § 4451 that is subject to 9 V.S.A. chapter 137 (residential rental agreements); and

~~(2)~~(B) a "short-term rental" ~~as defined in 18 V.S.A. § 4301 and~~ subject to 18 V.S.A. chapter 85, subchapter 7.

(2) "Short-term rental" has the same meaning as in 18 V.S.A. § 4301.

Sec. 101. 20 V.S.A. § 2678 is added to read:

§ 2678. SHORT-TERM RENTALS; HEALTH AND SAFETY DISCLOSURE

(a) The Department of Public Safety's Division of Fire Safety shall prepare concise guidance on the rules governing health, safety, sanitation, and fitness for habitation of short-term rentals in this State and provide the guidance to any online platform or travel agent hosting or facilitating the offering of a short-term rental in this State.

(b) Any online platform or travel agent hosting or facilitating the offering of a short-term rental in this State shall make available the guidance under subsection (a) of this section to a short-term rental operator in this State.

(c) A short-term rental operator shall:

(1) physically post the guidance under subsection (a) of this section in a conspicuous place in any short-term rental offered for rent in this State; and

(2) provide the guidance under subsection (a) of this section as part of any offering or listing of a short-term rental in this State.

* * * Flood Risk Disclosure * * *

Sec. 102. 27 V.S.A. § 380 is added to read:

§ 380. DISCLOSURE OF INFORMATION; CONVEYANCE OF REAL ESTATE

(a) Prior to or as part of a contract for the conveyance of real property, the seller shall provide notice to the buyer whether the property is subject to any requirement under federal law to obtain and maintain flood insurance on the property. This notice shall be provided in a clear and conspicuous manner in a

separate written document and attached as an addendum to the contract.

(b) The failure of the seller to provide the buyer with the information required under subsection (a) of this section is grounds for the buyer to terminate the contract prior to transfer of title or occupancy, whichever occurs earlier.

(c) A buyer of real estate who fails to receive the information required to be disclosed by a seller under subsection (a) of this section may bring an action to recover from the seller the amount of the buyer's damages and reasonable attorney's fees. The buyer may also seek punitive damages when the seller knowingly failed to provide the required information.

(d) A seller shall not be liable for damages under this section for any error, inaccuracy, or omission of any information required to be disclosed to the buyer under subsection (a) of this section when the error, inaccuracy, or omission was based on information provided by a public body or a by another person with a professional license or special knowledge who provided a written report that the seller reasonably believed to be correct and that was provided by the seller to the buyer.

(e) Noncompliance with the requirements of this section shall not affect the marketability of title of a real property.

Sec. 103. 9 V.S.A. § 4466 is added to read:

§ 4466. REQUIRED DISCLOSURE

A landlord shall disclose in advance of entering a rental agreement with a tenant whether any portion of the premises offered for rent is located in a Federal Emergency Management Agency mapped flood hazard area. This notice shall be provided in a separate written document given to the tenant at or before execution of the lease.

Sec. 104. 10 V.S.A. § 6236(e) is amended to read:

(e) All mobile home lot leases shall contain the following:

* * *

(8) Notice that the mobile home park is in a flood hazard area if any lot within the mobile home park is wholly or partially located in a flood hazard area according to the flood insurance rate map effective for the mobile home park at the time the proposed lease is furnished to a prospective leaseholder. This notice shall be provided in a clear and conspicuous manner in a separate written document attached as an addendum to the proposed lease.

Sec. 105. 10 V.S.A. § 6201 is amended to read:

§ 6201. DEFINITIONS

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

* * *

(13) "Flood hazard area" has the same meaning as in section 752 of this title.

(14) "Flood insurance rate map" means, for any mobile home park, the official flood insurance rate map describing that park published by the Federal Emergency Management Agency on its website.

* * * Mobile Homes * * *

Sec. 106. 2022 Acts and Resolves No. 182, Sec. 3, as amended by 2023 Acts and Resolves No. 3, Sec. 75 and 2023 Acts and Resolves No. 78, Sec. C.119, is further amended to read:

Sec. 3. MANUFACTURED HOME IMPROVEMENT AND ~~REPLACEMENT~~ REPAIR PROGRAM

(a) ~~Of the amounts available from the American Rescue Plan Act (ARPA) recovery funds, $4,000,000 is appropriated to the Department of Housing and Community Development for the purposes specified~~ Amounts appropriated to the Department of Housing and Community Development for the Manufactured Home Improvement and Repair Program shall be used for one or more of the following purposes:

* * *

(b) The Department administers the Manufactured Home Improvement and Repair Program and may utilize a reasonable percentage, up to a cap of five percent, of appropriations made to the Department for the Program to administer the Program.

(c) The Department may cooperate with and subgrant funds to State agencies and governmental subdivisions and public and private organizations in order to carry out the purposes of subsection (a) of this section.

Sec. 107. MANUFACTURED HOME IMPROVEMENT AND REPAIR PROGRAM APPROPRIATIONS; INFRASTRUCTURE; MOBILE HOME REPAIR

The sum of $1,000,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2025 for the following purposes:

(1) to improve mobile home park infrastructure under the Manufactured Home Improvement and Repair Program established by 2022 Acts and Resolves No. 182, Sec. 3, and amended from time to time; and

(2) to expand the Home Repair Awards program under the Manufactured Home Improvement and Repair Program established by 2022 Acts and Resolves No. 182, Sec. 3, and amended from time to time.

Sec. 108. [Deleted.]

* * * Age-Restricted Housing * * *

Sec. 109. 10 V.S.A. § 325c is added to read:

§ 325c. AGE-RESTRICTED HOUSING; RIGHT OF FIRST REFUSAL

(a) Definitions. As used in this section:

(1) "Age-restricted property" means a privately owned age-restricted residential property that is not licensed pursuant to 33 V.S.A. chapter 71 or 8 V.S.A. chapter 151.

(2) "Eligible buyer" means a nonprofit housing provider.

(b) Right of first refusal; assignment to eligible buyer.

(1) The Vermont Housing and Conservation Board shall have a right of first refusal for age-restricted properties as set out in this section. The Board may assign this right to an eligible buyer.

(2) For any offer made under this section, the Board or its assignee shall contractually commit to maintaining any affordability requirements in place for the age-restricted property at the time of sale.

(c) Content of notice. An owner of age-restricted property shall give to the Board notice by certified mail, return receipt requested, of the owner's intention to sell the age-restricted property. The requirements of this section shall not be construed to restrict the price at which the owner offers the age-restricted housing for sale. The notice shall state all the following:

(1) that the owner intends to sell the age-restricted property;

(2) the price, terms, and conditions under which the owner offers the age-restricted property for sale;

(3) that for 60 days following the notice, the owner shall not make a final unconditional acceptance of an offer to purchase the age-restricted property and that if within the 60 days the owner receives notice pursuant to subsection (d) of this section that the Board or its assignee intends to consider purchase of the age-restricted property, the owner shall not make a final unconditional acceptance of an offer to purchase the age-restricted property for

an additional 120 days, starting from the 61st day following notice, except one from the Board or its assignee.

(d) Intent to negotiate; timetable. The Board or its assignee shall have 60 days following notice under subsection (c) of this section in which to determine whether the buyer intends to consider purchase of the age-restricted property. During this 60-day period, the owner shall not accept a final unconditional offer to purchase the age-restricted property.

(e) Response to notice; required action. If the owner receives no notice from the Board or its assignee during the 60-day period or if the Board notifies the owner that neither it nor its designee intends to consider purchase of the age-restricted property, the owner has no further restrictions regarding sale of the age-restricted property pursuant to this section. If, during the 60-day period, the owner receives notice in writing that the Board or its assignee intends to consider purchase of the age-restricted property, then the owner shall do all the following:

(1) not accept a final unconditional offer to purchase from a party other than the Board or its assignee giving notice under subsection (d) of this section for 120 days following the 60-day period, a total of 180 days following the notice under subsection (c);

(2) negotiate in good faith with the Board or its assignee giving notice under subsection (d) of this section; and

(3) consider any offer to purchase from the Board or its assignee giving notice under subsection (d) of this section.

(f) Exceptions. The provisions of this section do not apply when the sale, transfer, or conveyance of the age-restricted property is any one or more of the following:

(1) through a foreclosure sale;

(2) to a member of the owner's family or to a trust for the sole benefit of members of the owner's family;

(3) among the partners who own the age-restricted property;

(4) incidental to financing the age-restricted property;

(5) between joint tenants or tenants in common;

(6) pursuant to eminent domain; or

(7) pursuant to a municipal tax sale.

(g) Requirement for new notice of intent to sell.

(1) Subject to subdivision (2) of this subsection, a notice of intent to sell issued pursuant to subsection (b) of this section shall be valid:

(A) for a period of one year from the expiration of the 60-day period following the date of the notice; or

(B) if the owner has entered into a binding purchase and sale agreement with the Board or its assignee within one year from the expiration of the 60-day period following the date of the notice, until the completion of the sale of the age-restricted property under the agreement or the expiration of the agreement, whichever is sooner.

(2) During the period in which a notice of intent to sell is valid, an owner shall provide a new notice of intent to sell, consistent with the requirements of subsection (b) of this section, prior to making an offer to sell the age-restricted property or accepting an offer to purchase the age-restricted property that is either more than five percent below the price for which the age-restricted property was initially offered for sale or less than five percent above the final written offer from the Board or its assignee.

(h) "Good faith." The Board or its assignee shall negotiate in good faith with the owner for purchase of the age-restricted property.

Sec. 110. 9 V.S.A. § 4468a is added to read:

§ 4468a. AGE-RESTRICTED HOUSING; RENT INCREASE; NOTICE

(a) Except as provided in subsection (c) of this section, an owner of privately owned age-restricted residential property within the State that is not licensed pursuant to 33 V.S.A. chapter 71 or 8 V.S.A. chapter 151 shall provide written notification on a form provided by the Department of Housing and Community Development to the Department and all the affected residents of any rent increase at the property not later than 60 days before the effective date of the proposed increase. The notice shall include all the following:

(1) the amount of the proposed rent increase;

(2) the effective date of the increase;

(3) a copy of the resident's rights pursuant to this section; and

(4) the percentage of increase from the current base rent.

(b) If the owner fails to notify either the residents or the Department of a rent increase as required by subsection (a) of this section, the proposed rent increase shall be ineffective and unenforceable.

(c) This section shall not apply to any rent increase at any publicly subsidized affordable housing that is monitored by a State or federal agency for rent limitations.

* * * Reports and Studies * * *

Sec. 111. LAND BANK REPORT

(a) The Department of Housing and Community Development and the Vermont League of Cities and Towns shall analyze the feasibility of a land bank program that would identify, acquire, and restore to productive use vacant, abandoned, contaminated, and distressed properties. The Department and the League shall engage with local municipalities, regional organizations, community organizations, and other stakeholders to explore:

(1) existing authority for public interest land acquisition for redevelopment and use;

(2) successful models and best practices for land bank programs in Vermont and other jurisdictions, including local, regional, nonprofit, state, and hybrid approaches that leverage the capacities of diverse communities and organizations within Vermont;

(3) potential benefits and challenges to creating and implementing a land bank program in Vermont;

(4) alternative approaches to State and municipal land acquisition, including residual value life estates and eminent domain, for purposes of revitalization and emergency land management, including for placement of trailers and other temporary housing;

(5) funding mechanisms and resources required to establish and operate a land bank program; and

(6) the legal and regulatory framework required to govern a State land bank program.

(b) On or before December 15, 2024, the Department of Housing and Community Development and the Vermont League of Cities and Towns shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General and Housing with its findings and recommendations, including proposed draft legislation for the establishment and operation of a land bank.

Sec. 112. RENT PAYMENT REPORTING REPORT

(a) To facilitate the development of a pilot program for housing providers to report tenant rent payments for inclusion in consumer credit reports, the Office of the State Treasurer shall study:

(1) any entities currently facilitating landlord credit reporting;

(2) the number of landlords in Vermont utilizing rent payment software, related software expenses, and the need for or benefit of utilizing software for positive pay reporting;

(3) the impacts on tenants from rent payment reporting programs, including, if feasible, data gathered from the Champlain Housing Trust's program;

(4) any logistical steps the State must take to facilitate the program and any associated administrative costs; and

(5) any other issues the Treasurer deems appropriate for facilitating the development of the pilot program.

(b) On or before December 15, 2024, the Treasurer shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs with its findings and recommendations, which may be in the form of proposed legislation.

Sec. 113. LANDLORD-TENANT LAW; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Landlord-Tenant Law Study Committee to review and consider modernizing the landlord-tenant laws and evictions processes in Vermont.

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

(1) 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.

(c) Powers and duties. The Committee shall study issues with Vermont's landlord-tenant laws and current evictions process, including the following issues:

(1) whether Vermont's landlord-tenant laws require modernization;

(2) the impact of evictions policies on rental housing availability;

(3) whether current termination notice periods and evictions processing timelines reflect the appropriate balance between landlord and tenant interests;

(4) practical obstacles to the removal of unlawful occupants; and

(5) whether existing bases for termination are properly utilized, including specifically 9 V.S.A. § 4467(b)(2) (termination for criminal activity, illegal drug activity, or acts of violence).

(d) Assistance. For purposes of scheduling meetings and preparing recommended legislation, the Committee shall have the assistance of the Office of Legislative Operations and the Office of Legislative Counsel.

(e) Report. On or before December 15, 2024, the Committee shall report to the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action, which may be in the form of proposed legislation.

(f) Meetings.

(1) The ranking member of the Senate shall call the first meeting of the Committee to occur on or before August 31, 2024.

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

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

(4) The Committee shall cease to exist upon submission of its findings and any recommendations for legislative action.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six meetings.

(2) Other members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings

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

(h) Appropriation. The sum of $10,500.00 is appropriated to the General Assembly from the General Fund in fiscal year 2025 for per diem compensation and reimbursement of expenses for members of the Committee.

Sec. 113a. LONG-TERM AFFORDABLE HOUSING; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Long-Term Affordable Housing Study Committee for the purpose of creating a plan to develop, sustain, and preserve affordable housing in response to Vermont's housing and homelessness crisis. The Committee shall focus on creating permanently affordable housing; reducing both sheltered and unsheltered homelessness; providing opportunities for housing mobility, including homeownership; and ensuring services and specialized housing options are available to Vermonters currently unable to access safe or affordable housing.

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

(1) two current members of the House of Representatives, not all from the same political party, who shall be appointed by the Speaker of the House;

(2) two current members of the Senate, not all from the same political party, who shall be appointed by the Committee on Committees;

(3) the Executive Director of the Vermont Housing and Conservation Board or designee;

(4) the Executive Director of the Vermont Housing Finance Agency or designee;

(5) the Commissioner of the Department of Housing and Community Development or designee;

(6) the Commissioner of the Department for Children and Families or designee; and

(7) three members appointed by the Housing and Homelessness Alliance of Vermont.

(c) Powers and duties. The Committee shall collect data and information on housing and homelessness, Vermonters' experience with housing in Vermont, and successful housing models within and outside Vermont; provide an analysis of Vermont's affordable housing development needs; and make recommendations on a long-term plan to create permanently affordable housing, including:

(1) the number of affordable rental-, homeownership-, and other service-supported housing units needed to fulfill the needs of Vermonters;

(2) the cost of building or rehabilitating the housing to meet Vermont's need for affordable housing broken down by program, with a schedule that establishes affordable housing needs annually for the next 10 years;

(3) an evaluation of the subsidy need to make both rental and homeownership housing affordable to people at different income levels; and

(4) an annual estimate of the number of people who would no longer experience homelessness as a result of implementation of the recommendations of the Committee.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Vermont Housing and Conservation Board.

(e) Report. On or before December 1, 2024, the Committee shall report to the House Committees on General and Housing, on Appropriations, and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs, on Appropriations, and on Finance with its findings and any recommendations for legislative action, which may be in the form of proposed legislation or revenue or appropriations recommendations.

(f) Meetings.

(1) The ranking member of the Senate shall call the first meeting of the Committee to occur on or before August 31, 2024.

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

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

(4) The Committee shall cease to exist upon submission of its recommendations for legislative action and any findings to the House Committees on General and Housing, on Appropriations, and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs, on Appropriations, and on Finance.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than 12 meetings.

(2) Other members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 12 meetings.

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

* * * Natural Resources Board Appropriation * * *

Sec. 113b. APPROPRIATION; NATURAL RESOURCES BOARD

The sum of $400,000.00 is appropriated from the General Fund to the Natural Resources Board in fiscal year 2025 for compensation of board members.

* * * Effective Dates * * *

Sec. 114. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Secs. 12 (10 V.S.A. § 6001), 13 (10 V.S.A. § 6086(a)(8)), and 20 (10 V.S.A. § 6001) shall take effect on December 31, 2026;

(2) Sec. 19 (10 V.S.A. § 6001(3)(A)(xii)) shall take effect on July 1, 2026;

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

(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.

and that after passage the title of the bill be amended to read: "An act relating to land use planning, development, and housing"

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Reps. Bongartz of Manchester, Demrow of Corinth, Sheldon of Middlebury, and Stevens of Waterbury** moved to concur in the Senate proposal of amendment with a further proposal 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 a 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 entireties 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; and

(3) Secs. 73 (property transfer tax rates) and 83a (property transfer tax exemptions) shall take effect on August 1, 2024.

and that after passage the title of the bill remain: "An act relating to community resilience and biodiversity protection through land use"

At eight o'clock and thirty-two minutes in the evening, the Speaker declared a recess until the fall of the gavel.

At eight o'clock and thirty-six minutes in the evening, the Speaker called the House to order.

Pending the question, Shall the House concur in the Senate proposal of amendment with further proposal of amendment thereto as offered by Rep. Bongartz of Manchester and others?, **Reps. Kornheiser of Brattleboro** moved to amend the proposal of amendment offered by Rep. Bongartz of Manchester and others by striking out the thirty-second instance of amendment (Sec. 114, effective dates) and inserting in lieu thereof a new thirty-second instance of amendment to read:

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.

Which was agreed to.

Pending the question, Shall the House concur in the Senate proposal of amendment with further proposal of amendment thereto as offered by Rep. Bongartz of Manchester and others, as amended?, **Rep. McCoy of Poultney** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House concur in the Senate proposal of amendment with further proposal of amendment thereto as offered by Rep. Bongartz of Manchester and others, as amended?, was decided in the affirmative. Yeas, 99. Nays, 32.

Those who voted in the affirmative are:

Andrews of Westford
Andriano of Orwell
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston
Brown of Richmond
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Carroll of Bennington
Casey of Montpelier
Chapin of East Montpelier
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford *
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Cordes of Lincoln
Demrow of Corinth
Dodge of Essex
Dolan of Essex Junction
Dolan of Waitsfield
Duke of Burlington
Durfee of Shaftsbury
Elder of Starksboro
Emmons of Springfield
Farlice-Rubio of Barnet
Garofano of Essex
Goldman of Rockingham
Graning of Jericho
Headrick of Burlington
Holcombe of Norwich
Hooper of Burlington
Houghton of Essex Junction
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
LaBounty of Lyndon
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Lanpher of Vergennes
Leavitt of Grand Isle
Logan of Burlington *
Long of Newfane *
Maguire of Rutland City
Masland of Thetford
McCarthy of St. Albans City
McGill of Bridport
Minier of South Burlington
Morris of Springfield
Mrowicki of Putney
Nicoll of Ludlow
Notte of Rutland City
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Pajala of Londonderry
Patt of Worcester
Pouech of Hinesburg
Priestley of Bradford
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury *
Sibilia of Dover
Sims of Craftsbury
Squirrell of Underhill
Stebbins of Burlington *
Stevens of Waterbury *
Stone of Burlington
Surprenant of Barnard
Taylor of Colchester
Templeman of Brownington
Toleno of Brattleboro
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City
Wood of Waterbury

Those who voted in the negative are:

Bartley of Fairfax
Branagan of Georgia
Gregoire of Fairfield
Hango of Berkshire
Oliver of Sheldon
Page of Newport City

Brennan of Colchester
Burditt of West Rutland
Canfield of Fair Haven
Demar of Enosburgh
Dickinson of St. Albans Town
Donahue of Northfield
Galfetti of Barre Town *
Goslant of Northfield
Harrison of Chittenden
Higley of Lowell
Labor of Morgan
Laroche of Franklin
Lipsky of Stowe
McCoy of Poultney
McFaun of Barre Town
Morgan of Milton
Morrissey of Bennington
Parsons of Newbury
Peterson of Clarendon *
Quimby of Lyndon
Shaw of Pittsford
Smith of Derby *
Taylor of Milton
Toof of St. Albans Town
Walker of Swanton
Williams of Granby

Those members absent with leave of the House and not voting are:

Anthony of Barre City
Arrison of Weathersfield
Beck of St. Johnsbury
Brownell of Pownal
Carpenter of Hyde Park
Cina of Burlington
Clifford of Rutland City
Graham of Williamstown
Hooper of Randolph
Krasnow of South Burlington
Marcotte of Coventry
Mattos of Milton
McCann of Montpelier
Mihaly of Calais
O'Brien of Tunbridge
Pearl of Danville
Sammis of Castleton
Small of Winooski

Rep. Christie of Hartford explained his vote as follows:

"Madam Speaker:

When I moved to Vermont by choice in April of 1973, I sensed how special the Brave Little State was. When my father came to visit, he said to me 'this reminds me of the allie—being the mountains of Jamaica.' My yes vote on H.687 will help others be or become part of what makes these Green Hills special."

Rep. Galfetti of Barre Town explained her vote as follows:

"Madam Speaker:

This bill is a dumpster fire and signifies everything that is wrong with the unthoughtful lawmaking of a supermajority that has permeated this whole biennium."

Rep. Logan of Burlington explained her vote as follows:

"Madam Speaker:

I vote yes in support of providing our communities the opportunity to work together to envision how and where they will grow, as well an incentive to act on how to build workforce housing."

Rep. Long of Newfane explained her vote as follows:

"Madam Speaker:

H.687 is the product of years of work on Act 250 modernization and resulted from robust engagement with stakeholders, several key reports, and thoughtful consideration and compromise as this bill moved through the legislative process. This bill reflects major progress in modernizing Act 250 after more than 50 years. I support H.687 as an important step forward in supporting both our housing goals and land conservation policies."

Rep. Peterson of Clarendon explained his vote as follows:

"Madam Speaker:

This bill is too large, too sweeping in scope, and simply not ready for enactment. In an end of biennium rush, bill H.687 is being crammed down the throats of Vermonters, leaving rural communities to suffer the consequences."

Rep. Sheldon of Middlebury explained her vote as follows:

"Madam Speaker:

Yes on H.687 to modernize our State land use framework to support human and natural communities as they adapt to a changing climate by establishing a location-based structure for State land use regulation that protects critical natural resources with encouraging economic development and housing."

Rep. Smith of Derby explained his vote as follows:

"Madam Speaker:

A lot of hard work and dedication my Energy and Environment Committee went into this bill. I voted in favor of this amendment in committee. After hearing some of my colleagues speak on the bill, I believe a No vote is best for my Derby constituents and for the Northeast Kingdom."

Rep. Stebbins of Burlington explained her vote as follows:

"Madam Speaker:

I vote yes because to build thriving communities and housing in a way that keeps Vermont's character, requires us to have a functioning land use board working within a decision-making framework based on where we want to build more swiftly versus where we should prudently require a consistent process environmental review. This bill supports on-farm businesses, requires flood disclosure, grows needed revenue through the Property Transfer Tax, extends last years' housing exemptions, and more. This phenomenal, sprawling bill is exactly what we need now."

Rep. Stevens of Waterbury explained his vote as follows:

"Madam Speaker:

The housing crisis as we talk about it here is not unique to Vermont. Every state in this country is in crisis for many different reasons. First, and foremost, is funding. Zoning and land use are incredible components and are necessary to make sure we live up to our own standards. We must acknowledge that we won't easily raise enough revenue to take care of the most vulnerable Vermonters, as well as that we have no control over the cost of money and commodities to build the housing. Saving the crisis requires more of everything, done in a measured and thoughtful way. H.687 does this. I vote yes."

Action on Bill Postponed

S. 289

Senate bill, entitled

An act relating to age-appropriate design code

Was taken up and, pending second reading of the bill, on motion of **Rep. Priestley of Bradford**, action on the bill was postponed until May 9, 2024.

Committee of Conference Appointed

S. 204

Pursuant to the request of the Senate for a Committee of Conference on the disagreeing votes of the two Houses on Senate bill, entitled

An act relating to supporting Vermont's young readers through evidence-based literacy instruction

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

Rep. Brady of Williston
Rep. Brown of Richmond
Rep. Taylor of Milton

Message from the Senate No. 64

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered 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.

And has passed the same in concurrence.

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

H. 55. An act relating to miscellaneous unemployment insurance amendments.

H. 121. An act relating to enhancing consumer privacy.

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

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 in concurrence with proposals of amendment in the adoption of which the concurrence of the House is requested.

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

S. 191. An act relating to New American educational grant opportunities.

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

And has concurred therein.

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

Adjournment

At nine o'clock and thirty-six minutes in the evening, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at ten o'clock in the forenoon.

Thursday, May 9, 2024

At ten o'clock in the forenoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rep. Tesha Buss of Woodstock.

Ceremonial Reading

H.C.R. 207

House concurrent resolution recognizing May 5–11, 2024 as National Correctional Officers and Employees Week in Vermont

Offered by: Representatives Roberts of Halifax, Arrison of Weathersfield, Bos-Lun of Westminster, Casey of Montpelier, Emmons of Springfield, Galfetti of Barre Town, Headrick of Burlington, Laroche of Franklin, Maguire of Rutland City, Morrissey of Bennington, and Troiano of Stannard

Whereas, correctional institutions are central to the American criminal justice system, and their orderly, safe, and around-the-clock operation is dependent on the professionalism of the nation's correctional officers, and

Whereas, the duties of correctional officers in Vermont include providing security for residents and staff in correctional facilities, supervising all aspects of daily living, and fulfilling a mission to rehabilitate individuals and prepare them for successful reentry into the community, and

Whereas, correctional employees must also confront extraordinary on-the-job risks, including the occurrence of violence, the responsibility to provide life-saving emergency medical care, and the prevalence of issues such as substance addiction, chronic health conditions, and multigenerational trauma, and

Whereas, Vermont's Department of Corrections is unique in being administered under the Agency of Human Services and in its unified statewide system that serves both sentenced offenders and detained individuals awaiting trial, and

Whereas, statewide, the Vermont Department of Corrections has 12 community-based probation and parole field offices at which probation and parole officers and community correctional officers supervise sentenced individuals in the community, and

Whereas, both the federal executive and legislative branches have designated the first full week of May as National Correctional Officers and Employees Week, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly recognizes May 5–11, 2024 as National Correctional Officers and Employees Week in Vermont, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Commissioner of Corrections, to the superintendent of each State correctional facility, and to the Vermont State Employees' Association.

Having been adopted in concurrence on Friday, April 5, 2024 in accord with Joint Rule 16b, was read.

Senate Proposal of Amendment to House Proposal of Amendment Not Concurred in; Committee of Conference Requested and Appointed; Rules Suspended, Messaged to the Senate Forthwith

S. 58

The Senate proposed to the House to amend Senate bill, entitled

An act relating to public safety

The Senate concurred in the House proposal of amendment with the following proposals of amendment thereto:

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.

Pending the question, Shall the House concur in the Senate proposal of amendment to the House proposal of amendment?, **Rep. LaLonde of South Burlington** moved that the House refuse to concur and ask for a Committee of Conference, which was agreed to, and the Speaker appointed as members of the Committee of Conference on the part of the House:

Rep. LaLonde of South Burlington
Rep. Andriano of Orwell
Rep. Burditt of West Rutland

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Third Reading;
Bill Passed in Concurrence with Proposal of Amendment

S. 96

Senate bill, entitled

An act relating to privatization contracts

Was taken up, read the third time, and passed in concurrence with proposal of amendment.

Favorable Report; Second Reading; Third Reading Ordered

S. 206

Rep. Mrowicki of Putney, for the Committee on Government Operations and Military Affairs, to which had been referred Senate bill, entitled

An act relating to designating Juneteenth as a legal holiday

Reported in favor of its passage in concurrence.

The bill, having appeared on the Notice Calendar, was taken up, read the second time, and third reading ordered.

Senate Proposal of Amendment to House Proposal of Amendment Concurred in

S. 301

The Senate concurred in the House proposal of amendment with further proposal of amendment thereto on Senate bill, entitled

An act relating to miscellaneous agricultural subjects

The Senate concurred in the House proposal of amendment with further proposal of amendment thereto 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.

Which proposal of amendment was considered and concurred in.

Recess

At ten o'clock and fifty-four minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

Called to Order

At twelve and thirty-six minutes in the afternoon, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 585

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, 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 for immediate consideration.

The Senate proposed 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.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment to House Proposal of Amendment Concurred in; Rules Suspended, Messaged to the Senate Forthwith

S. 310

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and Senate bill, entitled

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

Was taken up for immediate consideration.

The Senate concurred in the House proposal of amendment with further proposal of amendment thereto by striking out Sec. 6a, 20 V.S.A. chapter 181, in its entirety and inserting in lieu thereof the following:

Sec. 6a. [Deleted.]

Which proposal of amendment was considered and concurred in.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Recess

At twelve and fifty minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

Message from the Senate No. 65

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

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

And has concurred therein.

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

H. 279. An act relating to the Uniform Trust Decanting Act.

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

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

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

And has passed the same in concurrence.

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

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.

H. 780. An act relating to judicial nominations and appointments.

H. 867. An act relating to miscellaneous amendments to the laws governing alcoholic beverages and the Board of Liquor and Lottery.

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

The Senate has on its part adopted joint resolution of the following title:

J.R.S. 44. Joint resolution declaring the increasing number of drug overdose deaths in Vermont to be a public health emergency.

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

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

S. 58. An act relating to public safety.

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Sears
Senator Hashim
Senator Norris

Pursuant to the request of the House for a Committee of Conference on the disagreeing votes of the two Houses on House bill entitled:

H. 534. An act relating to retail theft.

The President announced the appointment as members of such Committee on the part of the Senate:

Senator Baruth
Senator Sears
Senator Norris

Called to Order

At three o'clock and fifteen minutes in the afternoon, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 630

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to boards of cooperative education services

Was taken up for immediate consideration.

The Senate proposed 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

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 867

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to miscellaneous amendments to the laws governing alcoholic beverages and the Board of Liquor and Lottery

Was taken up for immediate consideration.

The Senate proposed 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.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in with Further Proposal of Amendment Thereto; Rules Suspended, Messaged to the Senate Forthwith

H. 121

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to enhancing consumer privacy

Was taken up for immediate consideration.

The Senate proposed 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)(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.

(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.

§ 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) 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, 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;

(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 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) 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.

§ 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, 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; 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) 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.

(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.

* * *

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.

* * *

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.

* * *

§ 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. 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 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.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Reps. Priestley of Bradford, Carroll of Bennington, Chase of Chester, Duke of Burlington, Graning of Jericho, Jerome of Brandon, Marcotte of Coventry, Nicoll of Ludlow, Sammis of Castleton, White of Bethel, and Williams of Barre City** moved that the House concur 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

* * *

§ 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.

* * *

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.

* * *

§ 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 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."

Pending the question, Shall the House concur in the Senate proposal of amendment with further amendment thereto as offered by Rep. Priestley of Bradford and others?, **Rep. Chase of Chester** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House concur in the Senate proposal of amendment with further amendment thereto as offered by Rep. Priestley of Bradford and others?, was decided in the affirmative. Yeas, 139. Nays, 3.

Those who voted in the affirmative are:

Andrews of Westford	Donahue of Northfield	Minier of South Burlingto
Anthony of Barre City	Duke of Burlington	Morgan of Milton
Arrison of Weathersfield	Durfee of Shaftsbury	Morris of Springfield
Arsenault of Williston *	Elder of Starksboro	Morrissey of Bennington
Austin of Colchester	Emmons of Springfield	Mrowicki of Putney
Bartholomew of Hartland	Farlice-Rubio of Barnet	Nicoll of Ludlow
Bartley of Fairfax	Galfetti of Barre Town	Notte of Rutland City
Beck of St. Johnsbury	Garofano of Essex	Noyes of Wolcott
Berbeco of Winooski *	Goldman of Rockingham	Nugent of South Burlington
Birong of Vergennes	Goslant of Northfield	O'Brien of Tunbridge
Black of Essex	Graning of Jericho *	Ode of Burlington
Bluemle of Burlington	Gregoire of Fairfield	Oliver of Sheldon
Bongartz of Manchester	Hango of Berkshire	Page of Newport City

Bos-Lun of Westminster
Boyden of Cambridge
Brady of Williston *
Branagan of Georgia
Brown of Richmond
Brownell of Pownal
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Canfield of Fair Haven
Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chapin of East Montpelier*
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Cina of Burlington
Clifford of Rutland City
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Cordes of Lincoln
Demar of Enosburgh
Demrow of Corinth
Dickinson of St. Albans Town
Dodge of Essex
Dolan of Essex Junction
Dolan of Waitsfield
Harrison of Chittenden
Headrick of Burlington
Higley of Lowell
Holcombe of Norwich
Hooper of Randolph
Hooper of Burlington
Houghton of Essex Junction
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
LaBounty of Lyndon
Lalley of Shelburne
LaLonde of South Burlington
LaMont of Morristown
Lanpher of Vergennes
Laroche of Franklin
Leavitt of Grand Isle
Lipsky of Stowe
Logan of Burlington
Long of Newfane
Maguire of Rutland City
Marcotte of Coventry
Masland of Thetford
Mattos of Milton
McCann of Montpelier
McCarthy of St. Albans City
McFaun of Barre Town
McGill of Bridport
Mihaly of Calais *n
Pajala of Londonderry
Parsons of Newbury
Patt of Worcester
Peterson of Clarendon
Pouech of Hinesburg
Priestley of Bradford *
Quimby of Lyndon
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax
Sammis of Castleton *
Satcowitz of Randolph
Scheu of Middlebury
Shaw of Pittsford
Sheldon of Middlebury
Sibilia of Dover
Sims of Craftsbury
Smith of Derby
Squirrell of Underhill
Stebbins of Burlington *
Stevens of Waterbury
Stone of Burlington
Surprenant of Barnard
Taylor of Milton
Taylor of Colchester
Templeman of Brownington
Toleno of Brattleboro
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City *
Williams of Granby
Wood of Waterbury

Those who voted in the negative are:

Brennan of Colchester
Burditt of West Rutland
Toof of St. Albans Town

Those members absent with leave of the House and not voting are:

Andriano of Orwell
Graham of Williamstown
Labor of Morgan
McCoy of Poultney
Pearl of Danville
Small of Winooski
Walker of Swanton

Rep. Arsenault of Williston explained her vote as follows:

"Madam Speaker:

I vote yes for H.121 because our kids need to be protected from predatory data collection and product design. In ways both subtle and tragically overt, they are begging us for help. This bill is a first step, and for that I am grateful."

Rep. Berbeco of Winooski explained her vote as follows:

"Madam Speaker:

I voted yes because I care about addressing the youth mental health crisis. Protections in this legislation are one way to do that."

Rep. Brady of Williston explained her vote as follows:

"Madam Speaker:

I voted yes. For years I have told my high school students that I'm concerned there will come a day when we look back with shock that we let kids walk around school with personal devices loaded with social media much like we now look back with shock that schools once had smoking lounges. Kids today face so many challenges we work to address in our schools and communities. I'm on the kids' side."

Rep. Chapin of East Montpelier explained her vote as follows:

"Madam Speaker:

I vote yes to protect Vermonters – especially our youth – to protect our personal information, privacy, and mental health. We need to keep our consumer protection laws up to speed in this wildly changing time."

Rep. Graning of Jericho explained her vote as follows:

"Madam Speaker:

We live in a surveillance economy. That is today's reality. This bill gives adults the opportunity to opt out of having their information purchased, sold, and traded without their knowledge. We also ensure that children's data and other sensitive data has greater protections. We do this while providing Vermont businesses with protections and ample opportunities to be successful in the cyber age."

Rep. Mihaly of Calais explained his vote as follows:

"Madam Speaker:

In a body of this size, we must rely on the work of committees. Here I vote in substantial reliance on the brilliant and thorough work of the Committee on Commerce and thank them."

Rep. Priestley of Bradford explained her vote as follows:

"Madam Speaker:

I vote yes to uphold the principles of freedom and unity – to unite us in the face of surveillance, capitalism, and to protect the rights and freedoms of Vermonters to choose how our data is collected, used, and sold."

Rep. Sammis of Castleton explained his vote as follows:

"Madam Speaker:

I vote yes not only on behalf of my constituents, and to protect the children of our State, but to bring our consumer protection and privacy into the 21st century. This bill, in my opinion, is one of the best vetted bills to ever come across my desk in my time as representative."

Rep. Stebbins of Burlington explained her vote as follows:

"Madam Speaker:

We live in a capitalist society. And we must remember who corporations serve - corporations are made of people, and they exist only as long as people are healthy, whole, and free."

Rep. Williams of Barre City explained his vote as follows:

"Madam Speaker:

Information is the currency of our digital age. Your habits, your inclinations, your interests, your genes, each a commodity that is recorded, bought, and sold. You, and your children, are prideless. Let us with this bill secure the wealth, the inherent value, of each and every person in Vermont."

On motion of **Rep. Toof of St. Albans Town**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Recess

At four and forty-one minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

Called to Order

At five o'clock and forty-seven minutes in the afternoon, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 704

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to disclosure of compensation in job advertisements

Was taken up for immediate consideration.

The Senate proposed 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.

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.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 657

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to the modernization of Vermont's communications taxes and fees

Was taken up for immediate consideration.

The Senate proposed to the House to amend the bill 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 proposal of amendment was considered and concurred in.

Action on Bill Postponed

S. 289

Senate bill, entitled

An act relating to age-appropriate design code

Was taken up and, pending second reading of the bill, on motion of **Rep. Priestley of Bradford**, action on the bill was postponed until May 10, 2024.

Adjournment

At six o'clock in the evening, on motion of **Rep. McCoy of Poultney**, the House adjourned until tomorrow at ten o'clock in the forenoon.

Friday, May 10, 2024

At ten o'clock in the forenoon, the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Ben Partridge on bagpipes and former Rep. Carolyn Partridge of Windham.

Pages Honored

In appreciation of their many services to the members of the General Assembly, the Speaker recognized the following named Pages who completed their service today and presented them with commemorative pins:

Addison Blanchard of Reading
Adelynne Cimonetti of Shrewsbury
Aliyah Ivey-Leake of Shaftsbury
Juliet Lyon-Horne of South Hero
Colin McIntyre of Marshfield
Madeline Piecuch of Thetford
Teigan Reimer-Tatistcheff of East Montpelier

Message from the Senate No. 66

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

S. 102. An act relating to expanding employment protections and collective bargaining rights.

And has concurred therein.

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

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

And has passed the same in concurrence.

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

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. 626. An act relating to animal welfare.

H. 645. An act relating to the expansion of approaches to restorative justice.

H. 877. 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 House is requested.

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

H. 868. An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation.

And has accepted and adopted the same on its part.

Joint Resolution Referred to Committee

J.R.S. 44

By Senators Vyhovsky, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, McCormack, Perchlik, White, and Wrenner,

J.R.S. 44. Joint resolution declaring the increasing number of drug overdose deaths in Vermont to be a public health emergency.

Whereas, the use of drugs, especially opioids, in Vermont, regardless of whether the use originated with an initial prescription, an over-the-counter purchase, or the purchase of an unregulated drug, has led to an increasingly severe opioid-use crisis that has killed far too many Vermonters, and

Whereas, the victims are not only the individuals who die but also their families and friends, creating a broader human tragedy, and

Whereas, Department of Health (the Department) data reveals the severity of drug overdose deaths in Vermont, and

Whereas, the number of Vermonters who have perished due to drug overdoses, be they designated as accidental or undetermined, continues to accelerate, rising from 42 in 2010 to 264 in 2022 and representing a 500 percent increase over this time frame, and

Whereas, of these drug overdose deaths, those that involved an opioid grew from 37 in 2010 to 239 in 2022 (excluding those deaths deemed to be by suicide), and

Whereas, the opioids causing these deaths are now more toxic than in prior years, as fentanyl, a synthetic opioid that is 50 times more potent than heroin, was involved in 93 percent of the 2022 opioid overdose fatalities and, according to preliminary data, in 110 of the 115 drug overdose deaths recorded for the first six months of 2023, and

Whereas, other drugs contributing to overdose deaths in 2022 included cocaine (49 percent); heroin (nine percent); gabapentin (13 percent, up from two percent in 2021); methamphetamine (eight percent); and xylazine, which the FDA has only approved for veterinary use (28 percent, up from 13 percent in 2021), and

Whereas, 87 percent of opioid-based drug overdose deaths in 2022 involved at least two substances, and 25 percent involved four or more, and

Whereas, this rise in the number of drug overdose deaths is occurring despite the existence of extensive State and federally funded treatment services, and

Whereas, these services are clearly insufficient in reaching all individuals experiencing a substance use disorder because, according to a 2020 social autopsy, the Department documented that 76 percent of the Vermonters who had died from an accidental drug overdose had no known history of accessing treatment, and

Whereas, the severe problems associated with opioid-use disorder show no signs of abating, and the implementation of more effective solutions is an urgent imperative, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly declares the increasing number of drug overdose deaths in Vermont to be a public health emergency, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to Governor Philip B. Scott and to Commissioner of Health Dr. Mark Levine.

Was read by title, treated as a bill, and referred to the Committee on Health Care pursuant to House Rule 52.

Ceremonial Reading

H.C.R. 212

House concurrent resolution congratulating the 2024 Burlington-Colchester Division I championship SeaLakers girls' ice hockey team

Offered by: Representatives Austin of Colchester, Andrews of Westford, Berbeco of Winooski, Bluemle of Burlington, Brennan of Colchester, Chase of Colchester, Cina of Burlington, Headrick of Burlington, Hooper of Burlington, Krowinski of Burlington, Leavitt of Grand Isle, Logan of Burlington, Mattos of Milton, Morgan of Milton, Ode of Burlington, Rachelson of Burlington, Small of Winooski, Stebbins of Burlington, Stone of Burlington, Taylor of Milton, and Taylor of Colchester

Offered by: Senators Baruth, Chittenden, Gulick, Lyons, Mazza, Ram Hinsdale, Vyhovsky, and Wrenner

Whereas, when the top-seeded BFA-St. Albans Comets faced off against the third-ranked Burlington-Colchester SeaLakers, whose roster also includes players from Milton and Winooski, for the Division I girls' ice hockey title, the fans who were gathered at the University of Vermont's Gutterson Fieldhouse anticipated a great evening of exciting competition, and they were definitely not disappointed, and

Whereas, the Comets took an early lead, scoring the first period's only goal, but the second period told a different tale as a vigorous back-and-forth ensued, with the SeaLakers tying the score and then pushing ahead on a second goal, which BFA-St. Albans soon matched, and

Whereas, with the game tied 2–2, the challenge was on, and, at 13:32 into the second period, the SeaLakers proved ready to move, scoring the decisive—and the contest's final—goal for a sweet and well-deserved 3–2 victory, and

Whereas, the triumphant SeaLakers were Leah Boyd, Madison Bean, Bianca Flanagan, Camryn Poulin, Caroline Burdick, Austen Fisher, Fiona McHugh, Holley MacLellan, Ava Dallamura, Norra Moody, Hanna Coughlin, Brooks DeShaw, Abigail Wheeler, Annabelle Lekstutis, Ellie Young, Marzie Schulman, and Ana LaBelle, and

Whereas, the team's thrilled coaches were co-head coaches Jamie Rozzi and Molly Beauregard and assistant coaches Matt Schofield and Maggie DiMasi, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly congratulates the 2024 Burlington-Colchester Division I championship SeaLakers girls' ice hockey team, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to Burlington and Colchester High Schools.

Having been adopted in concurrence on Friday, April 5, 2024 in accord with Joint Rule 16b, was read.

Ceremonial Reading

H.C.R. 240

House concurrent resolution congratulating Aziza Malik on being named the 2024 Vermont Teacher of the Year

Offered by: Representatives McCann of Montpelier, Andrews of Westford, Anthony of Barre City, Austin of Colchester, Black of Essex, Brumsted of Shelburne, Buss of Woodstock, Carpenter of Hyde Park, Casey of Montpelier, Chapin of East Montpelier, Chesnut-Tangerman of Middletown Springs, Cina of Burlington, Cole of Hartford, Conlon of Cornwall, Dodge of Essex, Dolan of Essex Junction, Donahue of Northfield, Elder of Starksboro, Farlice-Rubio of Barnet, Garofano of Essex, Goslant of Northfield, Graning of Jericho, Gregoire of Fairfield, Harrison of Chittenden, Headrick of Burlington, Houghton of Essex Junction, Howard of Rutland City, Krasnow of South Burlington, Masland of Thetford, McGill of Bridport, Morris of Springfield, Mrowicki of Putney, Ode of Burlington, Pouech of Hinesburg,

Priestley of Bradford, Rachelson of Burlington, Rice of Dorset, Small of Winooski, Stebbins of Burlington, Stevens of Waterbury, Stone of Burlington, Torre of Moretown, and Wood of Waterbury

Offered by: Senators Cummings, Ram Hinsdale, Vyhovsky, Weeks, and Wrenner

Whereas, beginning in 1964, the State of Vermont has annually designated an elementary, middle, or secondary school teacher as the Vermont Teacher of the Year, and

Whereas, the selected teacher is honored at the University of Vermont's Outstanding Teacher Day and represents Vermont at the National Teacher of the Year events in Washington, DC, and

Whereas, the Vermont Teacher of the Year serves "as an advocate for the teaching profession, education and students" throughout the State, and

Whereas, for 2024, the Agency of Education has selected Aziza Malik, an upper elementary teacher at Champlain Elementary School in Burlington, to receive this special commendation, and

Whereas, Aziza Malik has held her current position for 14 years, and she is known for "fostering authentic relationships between schools and [community] stakeholders," and

Whereas, through her initiatives, such as the teaching of Abenaki history, Aziza Malik brings a sense of relevancy to the classroom, and

Whereas, Aziza Malik's successful effort to revitalize the Champlain Elementary School community garden epitomizes a genuine dedication to her school, and

Whereas, Aziza Malik is an ideal person to serve as the Vermont Teacher of the Year, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly congratulates Aziza Malik on being named the 2024 Vermont Teacher of the Year, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to Aziza Malik and to Champlain Elementary School.

Having been adopted in concurrence on Friday, April 26, 2024 in accord with Joint Rule 16b, was read.

Third Reading; Bill Passed in Concurrence; Rules Suspended, Messaged to the Senate Forthwith

S. 206

Senate bill, entitled

An act relating to designating Juneteenth as a legal holiday

Was taken up, read the third time, and passed in concurrence.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Rules Suspended, Immediate Consideration; Report and Addendum of the Committee of Conference Adopted

H. 868

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation

Was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report:

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Bill entitled:

H. 868 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:

FY25	As Proposed	As Amended	Change
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:

FY25	As Proposed	As Amended	Change
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:

FY25	As Proposed	As Amended	Change
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
Sources of funds			
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:

FY25	As Proposed	As Amended	Change
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
Sources of funds			
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:

FY25	As Proposed	As Amended	Change
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:

FY25	As Proposed	As Amended	Change
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:

FY25	As Proposed	As Amended	Change
Other	0	630,000	630,000
Total	0	630,000	630,000

Sources of funds

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:

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.

~~(c)~~(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.

~~(c)~~(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 ~~(c)~~(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 on 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

Which was considered and adopted on the part of the House.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in with Further Proposal of Amendment Thereto; Rules Suspended, Messaged to Senate Forthwith

H. 780

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to judicial nominations and appointments

Was taken up for immediate consideration.

The Senate proposed 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 ~~11~~ 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.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Reps. Rachelson of Burlington, Arsenault of Williston, Chapin of East Montpelier, Dolan of Essex Junction, Andriano of Orwell, and LaLonde of South Burlington** moved that the House concur 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.

Which was agreed to.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Recess

At ten o'clock and fifty-nine minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

Message from the Senate No. 67

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

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

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

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

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

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon 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 accepted and adopted the same on its part.

Called to Order

At one o'clock and fifty-three minutes in the afternoon, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 233

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to licensure and regulation of pharmacy benefit managers

Was taken up for immediate consideration.

The Senate proposed 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 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.

Second: In Sec. 1, 18 V.S.A. chapter 77, in section 3613, by striking out subsection (e) in its entirety

Third: 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 proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 626

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to animal welfare

Was taken up for immediate consideration.

The Senate proposed 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

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 645

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, 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.

The Senate proposed 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) "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).

§ 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(c) 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 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.

(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. 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.

(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 Legislatives 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. [Deleted.]

Sec. 6. [Deleted.]

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. 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.

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.

Which proposal of amendment was considered and concurred in.

Recess

At two o'clock and thirteen minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

Called to Order

At three o'clock and forty-six minutes in the afternoon, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 10

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, 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.

The Senate proposed 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, 2027.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 877

Appearing on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to miscellaneous agricultural subjects

Was taken up for immediate consideration.

The Senate proposed to the House to amend the bill by striking out Sec. 10, effective date, and its reader assistance heading in their entireties 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.

* * *

Sec. 12. [Deleted.]

* * * 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.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration;
Senate Proposal of Amendment to House Proposal of Amendment
Concurred in; Rules Suspended, Messaged to Senate Forthwith

S. 192

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and Senate bill, entitled

An act relating to forensic facility admissions criteria and processes

Was taken up for immediate consideration.

The Senate concurred in the House proposal of amendment with the following proposals of amendment thereto:

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.

Which proposal of amendment was considered and concurred in.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Recess

At four o'clock and four minutes in the afternoon, the Speaker declared a recess until the fall of the gavel.

Message from the Senate No. 68

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

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

And has passed the same in concurrence.

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

H. 622. An act relating to emergency medical services.

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

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

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

The Senate has considered 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 with further proposal of amendment in the adoption of which the concurrence of the House is requested.

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

S. 55. An act relating to authorizing public bodies to meet electronically under Vermont’s Open Meeting Law.

S. 114. An act relating to the establishment of the Psychedelic Therapy Advisory Working Group.

S. 183. An act relating to reenvisioning the Agency of Human Services.

S. 254. An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program.

S. 259. An act relating to climate change cost recovery.

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 concurred therein.

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

H. 655. An act relating to qualifying offenses for sealing criminal history records and access to sealed criminal history records.

And has concurred therein.

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

H. 687. An act relating to community resilience and biodiversity protection through land use.

And has concurred therein with an amendment in the passage of which the concurrence of the House is requested.

Called to Order

At five o'clock in the afternoon, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Amendment Offered; Senate Proposal of Amendment Concurred in

H. 612

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to miscellaneous cannabis amendments

Was taken up for immediate consideration.

The Senate proposed 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 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.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. Donahue of Northfield** moved to concur in the Senate proposal of amendment with further proposal of amendment thereto by striking out Sec. 2a, 7 V.S.A. § 864, in its entirety and inserting in lieu thereof the following:

Sec. 2a. [Deleted.]

Pending the question, Shall the House concur in the Senate proposal of amendment with further proposal of amendment thereto as offered by Rep. Donahue of Northfield?, **Rep. Harrison of Chittenden** requested that the vote be taken by division. Thereafter, pending the results of the vote by division, **Rep. Bartholomew of Hartland** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House concur in the Senate proposal of amendment with further proposal of amendment thereto as offered by Rep. Donahue of Northfield?, was decided in the negative. Yeas, 56. Nays, 85.

Those who voted in the affirmative are:

Arrison of Weathersfield	Duke of Burlington	Morrissey of Bennington
Austin of Colchester	Galfetti of Barre Town	O'Brien of Tunbridge
Beck of St. Johnsbury	Goslant of Northfield	Oliver of Sheldon
Black of Essex	Graham of Williamstown	Page of Newport City
Bos-Lun of Westminster	Gregoire of Fairfield	Pajala of Londonderry
Branagan of Georgia	Hango of Berkshire	Pearl of Danville
Brennan of Colchester	Harrison of Chittenden	Peterson of Clarendon
Brumsted of Shelburne	Higley of Lowell	Quimby of Lyndon
Burrows of West Windsor	Howard of Rutland City	Roberts of Halifax
Canfield of Fair Haven	LaBounty of Lyndon	Shaw of Pittsford
Carroll of Bennington	Lalley of Shelburne	Sibilia of Dover
Cina of Burlington	Laroche of Franklin	Smith of Derby *
Clifford of Rutland City	Lipsky of Stowe	Taylor of Milton
Coffey of Guilford	Maguire of Rutland City	Taylor of Colchester

Corcoran of Bennington
Demar of Enosburgh
Dickinson of St. Albans Town
Donahue of Northfield
Marcotte of Coventry
Mattos of Milton
McCoy of Poultney
McFaun of Barre Town
Morgan of Milton
Toof of St. Albans Town
White of Bethel
Whitman of Bennington
Williams of Granby
Wood of Waterbury

Those who voted in the negative are:

Andrews of Westford
Andriano of Orwell
Anthony of Barre City
Arsenault of Williston
Bartholomew of Hartland
Bartley of Fairfax
Berbeco of Winooski
Birong of Vergennes
Bluemle of Burlington
Bongartz of Manchester
Boyden of Cambridge
Brady of Williston
Brown of Richmond
Burditt of West Rutland
Burke of Brattleboro
Buss of Woodstock
Campbell of St. Johnsbury
Carpenter of Hyde Park
Casey of Montpelier
Chapin of East Montpelier
Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Cole of Hartford
Conlon of Cornwall
Cordes of Lincoln
Demrow of Corinth
Dodge of Essex
Dolan of Essex Junction
Dolan of Waitsfield
Durfee of Shaftsbury
Elder of Starksboro
Emmons of Springfield
Farlice-Rubio of Barnet
Garofano of Essex
Goldman of Rockingham
Graning of Jericho
Headrick of Burlington
Holcombe of Norwich
Hooper of Burlington
Houghton of Essex Junction
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
LaLonde of South Burlington
Lanpher of Vergennes
Leavitt of Grand Isle
Logan of Burlington
Long of Newfane
Masland of Thetford
McCann of Montpelier
McCarthy of St. Albans City
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Nicoll of Ludlow
Notte of Rutland City
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Patt of Worcester
Pouech of Hinesburg
Priestley of Bradford
Rachelson of Burlington
Rice of Dorset
Sammis of Castleton *
Satcowitz of Randolph
Scheu of Middlebury
Sheldon of Middlebury
Sims of Craftsbury
Small of Winooski
Squirrell of Underhill
Stebbins of Burlington
Stevens of Waterbury
Stone of Burlington
Surprenant of Barnard
Templeman of Brownington
Toleno of Brattleboro
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte
Williams of Barre City

Those members absent with leave of the House and not voting are:

Brownell of Pownal
Hooper of Randolph
Labor of Morgan
LaMont of Morristown
Morris of Springfield
Mrowicki of Putney
Parsons of Newbury
Walker of Swanton

Rep. Sammis of Castleton explained his vote as follows:

"Madam Speaker:

With all due respect, we have bigger problems to solve as a government than legal marijuana shops giving away free hats or tee shirts."

Rep. Smith of Derby explained his vote as follows:

"Madam Speaker:

If more of us paid attention and listened to the Representative from Northfield, they would realize that her wisdom and intelligence would be most beneficial to the well-being of our State."

Thereupon, the House concurred in the Senate proposal of amendment.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 875

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to the State Ethics Commission and the State Code of Ethics

Was taken up for immediate consideration.

The Senate proposed to the House to amend the bill by 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 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

(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, 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.

* * * 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, 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.

~~(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.

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 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

(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) 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 ~~it~~ 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" means any town, village, or city.

(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.

§ 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.

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.

* * * 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 members of legislative bodies and quasi-judicial bodies, chief administrative officers, mayors, town and city managers 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, 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.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. Harrison of Chittenden** requested the vote be by division.

Thereupon, the proposal of amendment was agreed to: Yeas, 93. Nays, 33.

Recess

At six o'clock and twelve minutes in the evening, the Speaker declared a recess until the fall of the gavel.

Message from the Senate No. 69

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

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

S. 220. An act relating to Vermont's public libraries.

S. 253. An act relating to building energy codes.

And has concurred therein.

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

H. 870. An act relating to professions and occupations regulated by the Office of Professional Regulation.

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

The Senate has considered House proposal of amendment to 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.

The Senate has considered the reports of the Committees of Conference upon the disagreeing votes of the two Houses upon 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. 882. An act relating to capital construction and State bonding budget adjustment.

And has accepted and adopted the same on its part.

Called to Order

At eight o'clock in the evening, the Speaker called the House to order.

Message from the Senate No. 70

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered House proposal of amendment to 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 an amendment in the passage of which the concurrence of the House is requested.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 622

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to emergency medical services

Was taken up for immediate consideration.

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

First: 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

Second: In Sec. 6, EMS Advisory Committee statewide EMS system design, 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

Third: In Sec. 6, EMS Advisory Committee statewide EMS system design, 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.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 876

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to miscellaneous amendments to the corrections laws

Was taken up for immediate consideration.

The Senate proposed 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 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 reentry facility on the same campus as the women's correctional facility or at another location.

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.

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2024.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in with Further Proposal of Amendment Thereto; Rules Suspended, Messaged to the Senate Forthwith

H. 878

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to miscellaneous judiciary procedures

Was taken up for immediate consideration.

The Senate proposed 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

* * *

(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. 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.

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'~~ 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 ~~(c)~~(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.

~~(c)~~(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) ~~Secs. 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. [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.]

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 a 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. [Deleted.]

Sec. 52. [Deleted.]

Sec. 53. [Deleted.]

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.]

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.]

Sec. 58. 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.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Rep. LaLonde of South Burlington** moved to concur 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.]

Which was agreed to.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted; Rules Suspended, Messaged to the Senate Forthwith

S. 58

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and Senate bill, entitled

An act relating to public safety

Was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report:

TO THE HOUSE OF REPRESENTATIVES AND THE SENATE:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Senate Bill, entitled:

S. 58. An act relating to public safety

Respectfully reports that it has met and considered the same and recommends that the House concede 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(c) or an attempt to commit that offense~~.

(b)(1) The State's Attorney of the county where the juvenile petition is pending may move in the Family Division of the Superior Court for an order transferring jurisdiction under subsection (a) of this section at any time prior to adjudication on the merits. The filing of the motion to transfer jurisdiction shall automatically stay the time for the hearing provided for in section 5225 of this title, which stay shall remain in effect until such time as the Family Division of the Superior Court may deny the motion to transfer jurisdiction.

(2)(A)(i) The Family Division of the Superior Court shall hold a hearing under subsection (c) of this section to determine whether jurisdiction should be transferred to the Criminal Division under subsection (a) of this section if the delinquent act set forth in the petition is:

(I) ~~a felony violation of 18 V.S.A. chapter 84 for selling or trafficking a regulated drug~~ [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(c)) and 7 (33 V.S.A. § 5206) shall take effect on July 1, 2024.~~ [Deleted.]

* * *

Sec. 7. 33 V.S.A. § 5201(d) is amended to read:

(d) Any proceeding concerning a child who is alleged to have committed any offense other than those specified in subsection 5204(a) of this title 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.

REP. MARTIN J. LALONDE

REP. JOSEPH ANDRIANO

REP. THOMAS B. BURDITT

Committee on the part of the House

SEN. RICHARD W. SEARS

SEN. NADER HASHIM

SEN. ROBERT W. NORRIS

Committee on the part of the Senate

Pending the question, Shall the House adopt the report of the Committee of Conference on its part?, **Rep. Small of Winooski** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House adopt the report of the Committee of Conference on its part?, was decided in the affirmative. Yeas, 124. Nays, 14.

Those who voted in the affirmative are:

Andrews of Westford
Andriano of Orwell
Anthony of Barre City
Arrison of Weathersfield
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Bartley of Fairfax
Beck of St. Johnsbury
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Boyden of Cambridge
Brady of Williston
Branagan of Georgia
Brennan of Colchester
Brown of Richmond
Brumsted of Shelburne
Burditt of West Rutland
Burke of Brattleboro
Buss of Woodstock
Campbell of St. Johnsbury
Canfield of Fair Haven
Dolan of Essex Junction
Dolan of Waitsfield
Donahue of Northfield
Duke of Burlington
Durfee of Shaftsbury
Elder of Starksboro
Emmons of Springfield
Farlice-Rubio of Barnet
Galfetti of Barre Town
Garofano of Essex
Goldman of Rockingham
Goslant of Northfield
Graning of Jericho
Gregoire of Fairfield
Hango of Berkshire
Harrison of Chittenden
Higley of Lowell
Holcombe of Norwich
Hooper of Randolph
Hooper of Burlington
Houghton of Essex Junction
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
McFaun of Barre Town
Mihaly of Calais
Minier of South Burlington
Morgan of Milton
Morrissey of Bennington
Nicoll of Ludlow
Notte of Rutland City
Noyes of Wolcott
Nugent of South Burlington
Ode of Burlington
Oliver of Sheldon
Page of Newport City
Pajala of Londonderry
Patt of Worcester
Peterson of Clarendon
Pouech of Hinesburg
Priestley of Bradford
Quimby of Lyndon
Rice of Dorset
Roberts of Halifax
Satcowitz of Randolph
Scheu of Middlebury
Shaw of Pittsford
Sheldon of Middlebury
Sibilia of Dover

Carpenter of Hyde Park
Carroll of Bennington
Casey of Montpelier
Chapin of East Montpelier
Chase of Chester
Chase of Colchester
Christie of Hartford
Clifford of Rutland City
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Corcoran of Bennington
Cordes of Lincoln
Demar of Enosburgh
Demrow of Corinth
Dickinson of St. Albans Town
Dodge of Essex
Krasnow of South Burlington
LaBounty of Lyndon
Lalley of Shelburne
LaLonde of South Burlington
Lanpher of Vergennes
Laroche of Franklin
Lipsky of Stowe
Long of Newfane
Maguire of Rutland City
Marcotte of Coventry
Masland of Thetford
Mattos of Milton
McCann of Montpelier
McCarthy of St. Albans City
McCoy of Poultney
Sims of Craftsbury
Smith of Derby
Squirrell of Underhill
Stebbins of Burlington
Stevens of Waterbury
Stone of Burlington
Taylor of Milton
Taylor of Colchester
Toleno of Brattleboro
Toof of St. Albans Town
Torre of Moretown
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City
Williams of Granby
Wood of Waterbury

Those who voted in the negative are:

Bos-Lun of Westminster
Burrows of West Windsor
Chesnut-Tangerman of Middletown Springs
Cina of Burlington *
Headrick of Burlington
LaMont of Morristown *
Leavitt of Grand Isle
Logan of Burlington
McGill of Bridport
Rachelson of Burlington *
Sammis of Castleton *
Small of Winooski *
Surprenant of Barnard
Troiano of Stannard

Those members absent with leave of the House and not voting are:

Brownell of Pownal
Graham of Williamstown
Kornheiser of Brattleboro
Labor of Morgan
Morris of Springfield
Mrowicki of Putney
O'Brien of Tunbridge
Parsons of Newbury
Pearl of Danville
Templeman of Brownington
Walker of Swanton

Rep. Cina of Burlington explained his vote as follows:

"Madam Speaker:

Substance use should be treated as a health care matter, not as a crime. By punishing people for substance use problems, we increase stigma and the associated suffering that drives addiction. All people, especially our youth, deserve to be held accountable while wrapped in community care that promotes the recovery of the individual, ultimately increasing both public safety and public health."

Rep. LaMont of Morristown explained her vote as follows:

"Madam Speaker:

Criminals do not get caught. If they did, we would in fact not have the public safety crisis we find ourselves in. We can't seem to convict adults who encourage, and model criminal behaviors. So, we target the children we claim to be protecting. We know which children those are, and we know which children we condemn to a life and point of no return carrying charges that will follow them for the rest of their lives."

Rep. Rachelson of Burlington explained her vote as follows:

"Madam Speaker:

Vermont continues to find ways to delay and weaken the Raise the Age legislation that we passed in 2016. The evidence and science show if we care about public safety, successful rehabilitation of our youth, lowering recidivism rates, and good use of our public dollars, we would make it a priority to fully implement raising the age. Let's use science and evidence to guide our lawmaking."

Rep. Sammis of Castleton explained his vote as follows:

"Madam Speaker:

For those who voted yes, I really pray you never did anything stupid as a teenager. Remember that in the future for your vote."

Rep. Small of Winooski explained her vote as follows:

"Madam Speaker:

As we begin the process of building prisons for kids in our State, this bill will ensure that those beds are full."

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment to House Proposal of Amendment Concurred in; Rules Suspended, Messaged to the Senate Forthwith

S. 195

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and Senate bill, entitled

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

Was taken up for immediate consideration.

The Senate concurred in the House proposal of amendment with the following proposal of amendment thereto:

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

Which proposal of amendment was considered and concurred in.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Recess

At eight o'clock and fifty-seven minutes in the evening, the Speaker declared a recess until the fall of the gavel.

Called to Order

At ten o'clock and ten minutes in the evening, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted; Rules Suspended, Messaged to the Senate Forthwith

S. 204

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, 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.

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference, to which were referred the disagreeing votes of the two Houses upon Senate Bill, entitled:

S.204. An act relating to an act relating to supporting Vermont's young readers through evidence-based literacy instruction.

Respectfully reports that it has met and considered the same and recommends that the House recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * 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.

REP. ERIN BRADY

REP. JANA BROWN

REP. CHRIS TAYLOR

Committee on the part of the House

SEN. BRIAN A. CAMPION

SEN. MARTINE GULICK

SEN. DAVID "DAVE" WEEKS

Committee on the part of the Senate

Which was considered and adopted on the part of the House.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted

H. 534

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to retail theft

Was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report:

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House Bill entitled:

H. 534 An act relating to retail theft.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 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

Which was considered and adopted on the part of the House.

Message from the Senate No. 71

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon Senate bill of the following title:

S. 58. An act relating to public safety.

And has accepted and adopted the same on its part.

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

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

And has concurred therein.

Message from the Senate No. 72

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon Senate bill of the following title:

S. 204. An act relating to supporting Vermont's young readers through evidence-based literacy instruction.

And has accepted and adopted the same on its part.

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted

H. 563

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, 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.

The Speaker placed before the House the following Committee of Conference report:

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House Bill entitled:

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

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 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 (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

Which was considered and adopted on the part of the House.

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted

H. 546

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, 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.

The Speaker placed before the House the following Committee of Conference report:

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House Bill entitled:

H. 546. An act relating to administrative and policy changes to tax laws.

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:

* * * 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(ll) (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. § 5930ll is amended to read:

§ 5930ll. MACHINERY AND EQUIPMENT TAX CREDIT

* * *

(d) Availability of credit.

(1) The credit earned under this section with respect to qualified capital expenditures shall be available to reduce the qualified taxpayer's Vermont income tax liability for its tax year beginning on or after January 1, 2012 or, if later, the first tax year within which the qualified taxpayer's aggregate qualified capital expenditures exceed $20,000,000.00. A taxpayer claiming a credit under this subchapter shall submit with the first return on which a credit is claimed a copy of the qualified taxpayer's certification from the Vermont Economic Progress Council.

(2) The credit may be used in the year earned or carried forward to reduce the qualified taxpayer's Vermont income tax liability in succeeding tax years ending on or before December 31, ~~2026~~ 2030.

* * *

(g) Reporting.

(1) Any qualified taxpayer who has been certified under subsection (b) of this section shall file a report with the Vermont Economic Progress Council on a form prescribed by the Council for this purpose and provide a copy of the report to the Commissioner of Taxes.

(2) The report shall be filed for each year following the certification until the year following the last year the taxpayer claims the credit to reduce its Vermont income tax liability, or ~~2027~~ 2031, whichever occurs first.

(3) The report shall be filed by ~~February 28~~ the due date of the taxpayer's tax return, including extensions, in each year for activity the previous calendar year and include, at a minimum:

(A) the number of full-time jobs in each quarter and the average number of hours worked per week;

(B) the level of qualifying capital investments made if reporting on a year within an investment period; and

(C) the amount of tax credit earned and applied during the previous calendar year.

Sec. 17. 2010 Acts and Resolves No. 156, Sec. H.2 is amended to read:

Sec. H.2 REPEAL

(a) Subchapter 11M of chapter 151 of Title 32 is repealed July 1, ~~2026~~ 2030, and no credit under that section shall be available for any taxable year beginning after June 30, ~~2026~~ 2030~~; provided, however, that if no qualified capital expenditures are made during the investment period, both terms as~~

~~defined in 32 V.S.A. § 5930ll(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 a~~ 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

Which was considered and adopted on the part of the House.

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted

H. 882

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, 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.

The Speaker placed before the House the following Committee of Conference report:

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House Bill entitled:

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

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Legislative 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~~ 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. 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 Mangement 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 colocating 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

Which was considered and adopted on the part of the House.

Senate Proposal of Amendment Concurred in with Further Proposal of Amendment Thereto; Rules Suspended, Messaged to Senate Forthwith

H. 887

The Senate proposed to the House to amend House bill, entitled

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

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

* * * 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) 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;

(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;

(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.

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, the Education Finance Study Committee, and the Commission on the Future of Public Education.

* * *

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.

* * * 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.

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; 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.

* * * 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.

* * *

(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. 1 (Education Finance Study Committee);

(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.

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Reps. Kornheiser of Brattleboro and Demrow of Corinth** moved that the House concur 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. 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.

Pending the question, Shall the House concur in the Senate proposal of amendment with further proposal of amendment thereto as offered by Rep. Kornheiser and Rep. Demrow?, **Rep. McCoy of Poultney** demanded the Yeas and Nays, which demand was sustained by the Constitutional number. The Clerk proceeded to call the roll and the question, Shall the House concur in the Senate proposal of amendment with further proposal of amendment thereto as offered by Rep. Kornheiser and Rep. Demrow?, was decided in the affirmative. Yeas, 93. Nays, 44.

Those who voted in the affirmative are:

Andrews of Westford
Andriano of Orwell
Anthony of Barre City
Arrison of Weathersfield
Arsenault of Williston
Austin of Colchester
Bartholomew of Hartland
Berbeco of Winooski
Birong of Vergennes
Black of Essex
Bluemle of Burlington
Bongartz of Manchester
Bos-Lun of Westminster
Brady of Williston
Brown of Richmond
Brumsted of Shelburne
Burke of Brattleboro
Burrows of West Windsor
Buss of Woodstock
Campbell of St. Johnsbury
Carroll of Bennington
Casey of Montpelier
Chapin of East Montpelier
Demrow of Corinth *
Dodge of Essex
Dolan of Essex Junction
Dolan of Waitsfield
Duke of Burlington
Durfee of Shaftsbury
Emmons of Springfield
Farlice-Rubio of Barnet
Garofano of Essex
Goldman of Rockingham
Graning of Jericho *
Headrick of Burlington
Holcombe of Norwich
Hooper of Burlington
Houghton of Essex Junction
Howard of Rutland City
Hyman of South Burlington
James of Manchester
Jerome of Brandon
Kornheiser of Brattleboro
Krasnow of South Burlington
Lalley of Shelburne
McGill of Bridport
Mihaly of Calais
Minier of South Burlington
Nicoll of Ludlow
Notte of Rutland City
Nugent of South Burlington
Ode of Burlington
Patt of Worcester
Pouech of Hinesburg
Priestley of Bradford
Rachelson of Burlington
Rice of Dorset
Roberts of Halifax
Satcowitz of Randolph
Scheu of Middlebury *
Sheldon of Middlebury
Sibilia of Dover
Squirrell of Underhill
Stebbins of Burlington
Stevens of Waterbury
Stone of Burlington *
Surprenant of Barnard
Taylor of Colchester

Chase of Chester
Chase of Colchester
Chesnut-Tangerman of Middletown Springs
Christie of Hartford
Cina of Burlington
Coffey of Guilford
Cole of Hartford
Conlon of Cornwall
Cordes of Lincoln
LaLonde of South Burlington
Lanpher of Vergennes
Leavitt of Grand Isle
Logan of Burlington
Long of Newfane
Masland of Thetford
McCann of Montpelier
McCarthy of St. Albans City
Toleno of Brattleboro
Torre of Moretown
Troiano of Stannard
Waters Evans of Charlotte
White of Bethel
Whitman of Bennington
Williams of Barre City
Wood of Waterbury

Those who voted in the negative are:

Bartley of Fairfax
Beck of St. Johnsbury
Boyden of Cambridge
Branagan of Georgia
Brennan of Colchester
Burditt of West Rutland
Canfield of Fair Haven
Clifford of Rutland City
Corcoran of Bennington
Demar of Enosburgh
Dickinson of St. Albans Town
Donahue of Northfield
Galfetti of Barre Town
Goslant of Northfield
Gregoire of Fairfield
Hango of Berkshire
Harrison of Chittenden
Higley of Lowell
Hooper of Randolph
LaBounty of Lyndon
Laroche of Franklin
Lipsky of Stowe
Maguire of Rutland City
Marcotte of Coventry
Mattos of Milton
McCoy of Poultney *
McFaun of Barre Town
Morgan of Milton
Morrissey of Bennington
Noyes of Wolcott
Oliver of Sheldon
Page of Newport City
Pajala of Londonderry
Peterson of Clarendon
Quimby of Lyndon
Sammis of Castleton *
Shaw of Pittsford
Sims of Craftsbury
Small of Winooski
Smith of Derby
Taylor of Milton
Templeman of Brownington
Toof of St. Albans Town
Williams of Granby *

Those members absent with leave of the House and not voting are:

Brownell of Pownal
Carpenter of Hyde Park
Elder of Starksboro
Graham of Williamstown
Labor of Morgan
LaMont of Morristown
Morris of Springfield
Mrowicki of Putney
O'Brien of Tunbridge
Parsons of Newbury
Pearl of Danville
Walker of Swanton

Rep. Demrow of Corinth explained his vote as follows:

"Madam Speaker:

H.887 lays the foundation for re-engineering public education and how we pay for it. It offers relief for Vermonters who pay their education property tax based on their income. And it pays the bill for school budgets voters across the State have approved."

Rep. Graning of Jericho explained her vote as follows:

"Madam Speaker:

The Commission on the Future of Public Education as established in this bill will set this body up to make the necessary difficult decisions about how,

where, and at what cost we educate the student in Vermont. The Education Fund Advisory Committee will ensure that we are making informed thoughtful and timely decisions as we continue to pass laws on education finance. I am optimistic that we are now on a path to reform and improve both the quality of education and our funding processes."

Rep. McCoy of Poultney explained her vote as follows:

"Madam Speaker:

I simply cannot support a double-digit-increase in property taxes without any structural change. Using 96 million dollars to buy down property tax rates for Fiscal Year 25 makes me very afraid of what will happen in Fiscal Year 26. Let's hope the 39th study since 2000 finds the answer! I vote no."

Rep. Sammis of Castleton explained his vote as follows:

"Madam Speaker:

In a time of severely declining student enrollment and a rapidly aging population, promoting more wasteful budgets with excess spending are an immediate recipe for disaster. Phrase it however you want; you cannot ignore the basic economic principles of scarcity."

Rep. Scheu of Middlebury explained her vote as follows:

"Madam Speaker:

I voted yes on H.887. Communities at the local level voted to increase education spending by $215 million. Our committees and this body has worked tirelessly to find a fiscally responsible path that both addresses these local increases and finds new sources of revenue. Structural issues can't be solved overnight or in one legislative session, but we have laid the groundwork to create a path toward a quality, sustainable, and affordable public education system."

Rep. Stone of Burlington explained her vote as follows:

"Madam Speaker:

Public education is a bedrock of our democracy. While there may be debate about the best approach to education and its funding, supporting public education is paramount for the betterment of Vermont as a whole. The work of the Commission on the Future of Public Education is one very important step forward in providing quality education in a more efficient, sustainable, and stable system."

Rep. Williams of Granby explained her vote as follows:

"Madam Speaker:

I dare you to come to the Northeast Kingdom so you can see firsthand the damage you have done."

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment Concurred in

H. 870

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, 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.

The Senate proposed 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~~"~~," 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.

Which proposal of amendment was considered and concurred in.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment to House Proposal of Amendment to Senate Proposal of Amendment Concurred in

H. 687

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, 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 Senate concurred in the House proposal of amendment to Senate proposal of amendment with the following proposals of amendment thereto:

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.

Twelth: 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 entireties 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.

Which proposal of amendment was considered and concurred in.

Recess

At eleven and fifty-nine minutes in the evening, the Speaker declared a recess until the fall of the gavel.

Message from the Senate No. 73

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered House proposals of amendment to 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.

Saturday, May 11, 2024

Called to Order

At twelve o'clock and thirty-three minutes in the forenoon on Saturday, May 11, 2024, the Speaker called the House to order.

Rules Suspended, Immediate Consideration; Senate Proposal of Amendment to House Proposal of Amendment to Senate Proposal of Amendment Concurred in

H. 121

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to enhancing consumer privacy

Was taken up for immediate consideration.

The Senate concurred in the House proposal of amendment to Senate proposal of amendment with the following further proposals of amendment 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 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.

Which proposal of amendment was considered and concurred in.

Senate Proposal of Amendment Concurred in with Further Proposal of Amendment Thereto; Rules Suspended, Messaged to the Senate Forthwith

H. 55

The Senate proposed to the House to amend House bill, entitled

An act relating to miscellaneous unemployment insurance amendments

The Senate proposed 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~~ 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. ~~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. 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 (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).

~~(II)~~(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.

~~(III)~~(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. 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.

* * * 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

Pending the question, Shall the House concur in the Senate proposal of amendment?, **Reps. Marcotte of Coventry, Carroll of Bennington, Chase of Chester, Duke of Burlington, Graning of Jericho, Jerome of Brandon, Nicoll of Ludlow, Priestley of Bradford, Sammis of Castleton, White of Bethel, and Williams of Barre City** moved to concur 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:

* * * 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 ~~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.

* * * 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 ~~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. 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).

~~(II)~~(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.

~~(III)~~(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"

Which was agreed to.

On motion of **Rep. McCoy of Poultney**, the rules were suspended and the House's actions on the bill were ordered messaged to the Senate forthwith.

Recess

At twelve o'clock and fifty minutes in the forenoon, the Speaker declared a recess until the fall of the gavel.

Message from the Senate No. 74

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that:

The Senate has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses upon House bill of the following title:

H. 883. An act relating to making appropriations for the support of government.

And has accepted and adopted the same on its part.

The Senate has on its part adopted Senate concurrent resolutions 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.

The Senate has on its part adopted concurrent resolutions originating in the House 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 gleaning 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.

The Senate has on its part adopted joint resolution of the following title:

J.R.S. 56. Joint resolution relating to final adjournment of the General Assembly 2024.

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

Message from the Senate No. 75

A message was received from the Senate by Ms. Gradel, its Assistant Secretary, as follows:

Madam Speaker:

I am directed to inform the House that the Senate has on its part completed the business of the session and is ready to adjourn *sine die*, pursuant to the provisions of J.R.S. 56.

Called to Order

At one o'clock and three minutes in the forenoon, the Speaker called the House to order.

Joint Resolution Adopted in Concurrence

J.R.S. 56

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*.

Was taken up, read, and adopted in concurrence.

Rules Suspended, Immediate Consideration; Report of Committee of Conference Adopted

H. 883

Pending entry on the Notice Calendar, on motion of **Rep. McCoy of Poultney**, the rules were suspended and House bill, entitled

An act relating to making appropriations for the support of government

Was taken up for immediate consideration.

The Speaker placed before the House the following Committee of Conference report:

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon Bill entitled:

H. 883. 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:

B.100–B.199 and E.100–E.199	General Government
B.200–B.299 and E.200–E.299	Protection to Persons and Property
B.300–B.399 and E.300–E.399	Human Services
B.400–B.499 and E.400–E.499	Labor
B.500–B.599 and E.500–E.599	General Education
B.600–B.699 and E.600–E.699	Higher Education
B.700–B.799 and E.700–E.799	Natural Resources
B.800–B.899 and E.800–E.899	Commerce and Community Development
B.900–B.999 and E.900–E.999	Transportation
B.1000–B.1099 and E.1000–E.1099	Debt Service
B.1100–B.1199 and E.1100–E.1199	One-time and other appropriation actions

(b) The C sections contain any amendments to the current fiscal year, the D sections contain fund transfers 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	25,000
Total	3,835,609
Source of funds	
General fund	2,449,890
Special funds	25,000
Internal service funds	437,265
Interdepartmental transfers	923,454
Total	3,835,609

Sec. B.101 Secretary of administration - finance

Personal services	1,414,180
Operating expenses	160,916
Total	1,575,096

Source of funds	
Interdepartmental transfers	1,575,096
Total	1,575,096

Sec. B.102 Secretary of administration - workers' compensation insurance

Personal services	894,261
Operating expenses	90,822
Total	985,083
Source of funds	
Internal service funds	985,083
Total	985,083

Sec. B.103 Secretary of administration - general liability insurance

Personal services	567,817
Operating expenses	59,472
Total	627,289
Source of funds	
Internal service funds	627,289
Total	627,289

Sec. B.104 Secretary of administration - all other insurance

Personal services	275,025
Operating expenses	48,667
Total	323,692
Source of funds	
Internal service funds	323,692
Total	323,692

Sec. B.105 Agency of digital services - communications and information technology

Personal services	82,994,362
Operating expenses	62,547,212
Total	145,541,574
Source of funds	
General fund	209,808
Special funds	511,723
Internal service funds	144,820,043
Total	145,541,574

Sec. B.106 Finance and management - budget and management

Personal services	1,526,943
Operating expenses	332,906
Total	1,859,849

Source of funds	
General fund	1,183,688
Internal service funds	666,328
Interdepartmental transfers	9,833
Total	1,859,849

Sec. B.107 Finance and management - financial operations

Personal services	2,753,093
Operating expenses	887,167
Total	3,640,260
Source of funds	
Internal service funds	3,499,357
Interdepartmental transfers	140,903
Total	3,640,260

Sec. B.108 Human resources - operations

Personal services	11,174,144
Operating expenses	1,533,893
Total	12,708,037
Source of funds	
General fund	1,835,968
Special funds	242,235
Internal service funds	10,105,741
Interdepartmental transfers	524,093
Total	12,708,037

Sec. B.108.1 Human resources - VTHR operations

Personal services	2,001,756
Operating expenses	897,472
Total	2,899,228
Source of funds	
Internal service funds	2,899,228
Total	2,899,228

Sec. B.109 Human resources - employee benefits & wellness

Personal services	1,219,976
Operating expenses	656,818
Total	1,876,794
Source of funds	
Internal service funds	1,876,794
Total	1,876,794

Sec. B.110 Libraries

Personal services	2,608,231
Operating expenses	987,312
Grants	272,701
Total	3,868,244
Source of funds	
General fund	2,151,812
Special funds	130,971
Federal funds	1,467,374
Interdepartmental transfers	118,087
Total	3,868,244

Sec. B.111 Tax - administration/collection

Personal services	28,375,591
Operating expenses	6,868,137
Total	35,243,728
Source of funds	
General fund	23,248,019
Special funds	11,880,709
Interdepartmental transfers	115,000
Total	35,243,728

Sec. B.112 Buildings and general services - administration

Personal services	1,070,354
Operating expenses	229,587
Total	1,299,941
Source of funds	
Interdepartmental transfers	1,299,941
Total	1,299,941

Sec. B.113 Buildings and general services - engineering

Personal services	18,881
Operating expenses	1,271,574
Total	1,290,455
Source of funds	
General fund	1,290,455
Total	1,290,455

Sec. B.113.1 Buildings and General Services Engineering - Capital Projects

Personal services	2,973,306
Operating expenses	500,000
Total	3,473,306

Source of funds	
General fund	2,973,306
Interdepartmental transfers	500,000
Total	3,473,306

Sec. B.114 Buildings and general services - information centers

Personal services	3,585,324
Operating expenses	1,919,853
Total	5,505,177
Source of funds	
General fund	688,453
Transportation fund	4,292,149
Special funds	524,575
Total	5,505,177

Sec. B.115 Buildings and general services - purchasing

Personal services	2,462,542
Operating expenses	245,613
Total	2,708,155
Source of funds	
General fund	1,568,464
Interdepartmental transfers	1,139,691
Total	2,708,155

Sec. B.116 Buildings and general services - postal services

Personal services	826,840
Operating expenses	177,446
Total	1,004,286
Source of funds	
General fund	90,941
Internal service funds	913,345
Total	1,004,286

Sec. B.117 Buildings and general services - copy center

Personal services	902,844
Operating expenses	237,416
Total	1,140,260
Source of funds	
Internal service funds	1,140,260
Total	1,140,260

Sec. B.118 Buildings and general services - fleet management services

Personal services	915,232

Operating expenses	251,755
Total	1,166,987
Source of funds	
Internal service funds	1,166,987
Total	1,166,987

Sec. B.119 Buildings and general services - federal surplus property

Operating expenses	4,298
Total	4,298
Source of funds	
Enterprise funds	4,298
Total	4,298

Sec. B.120 Buildings and general services - state surplus property

Personal services	375,218
Operating expenses	149,871
Total	525,089
Source of funds	
Internal service funds	525,089
Total	525,089

Sec. B.121 Buildings and general services - property management

Personal services	1,471,106
Operating expenses	652,847
Total	2,123,953
Source of funds	
Internal service funds	2,123,953
Total	2,123,953

Sec. B.122 Buildings and general services - fee for space

Personal services	20,361,714
Operating expenses	17,940,900
Total	38,302,614
Source of funds	
Internal service funds	38,214,088
Interdepartmental transfers	88,526
Total	38,302,614

Sec. B.124 Executive office - governor's office

Personal services	1,621,889
Operating expenses	529,815
Total	2,151,704

Source of funds	
General fund	1,896,299
Interdepartmental transfers	255,405
Total	2,151,704

Sec. B.125 Legislative counsel

Personal services	3,906,667
Operating expenses	291,399
Total	4,198,066
Source of funds	
General fund	4,198,066
Total	4,198,066

Sec. B.126 Legislature

Personal services	6,531,132
Operating expenses	4,934,310
Total	11,465,442
Source of funds	
General fund	11,465,442
Total	11,465,442

Sec. B.126.1 Legislative information technology

Personal services	1,433,677
Operating expenses	807,537
Total	2,241,214
Source of funds	
General fund	2,241,214
Total	2,241,214

Sec. B.127 Joint fiscal committee

Personal services	2,661,816
Operating expenses	197,363
Total	2,859,179
Source of funds	
General fund	2,859,179
Total	2,859,179

Sec. B.128 Sergeant at arms

Personal services	1,501,807
Operating expenses	161,697
Total	1,663,504
Source of funds	
General fund	1,663,504

Total	1,663,504
Sec. B.129 Lieutenant governor	
Personal services	273,359
Operating expenses	48,050
Total	321,409
Source of funds	
General fund	321,409
Total	321,409
Sec. B.130 Auditor of accounts	
Personal services	4,397,652
Operating expenses	140,540
Total	4,538,192
Source of funds	
General fund	383,992
Special funds	53,145
Internal service funds	4,101,055
Total	4,538,192
Sec. B.131 State treasurer	
Personal services	6,021,504
Operating expenses	305,404
Total	6,326,908
Source of funds	
General fund	2,233,091
Special funds	3,783,849
Interdepartmental transfers	309,968
Total	6,326,908
Sec. B.132 State treasurer - unclaimed property	
Personal services	814,215
Operating expenses	514,990
Total	1,329,205
Source of funds	
Private purpose trust funds	1,329,205
Total	1,329,205
Sec. B.133 Vermont state retirement system	
Personal services	213,238
Operating expenses	2,849,942
Total	3,063,180

Source of funds	
Pension trust funds	3,063,180
Total	3,063,180

Sec. B.134 Municipal employees' retirement system

Personal services	237,966
Operating expenses	1,499,159
Total	1,737,125
Source of funds	
Pension trust funds	1,737,125
Total	1,737,125

Sec. B.134.1 Vermont Pension Investment Commission

Personal services	2,154,707
Operating expenses	294,507
Total	2,449,214
Source of funds	
Special funds	2,449,214
Total	2,449,214

Sec. B.135 State labor relations board

Personal services	290,593
Operating expenses	48,629
Total	339,222
Source of funds	
General fund	329,646
Special funds	6,788
Interdepartmental transfers	2,788
Total	339,222

Sec. B.136 VOSHA review board

Personal services	98,853
Operating expenses	25,115
Total	123,968
Source of funds	
General fund	72,964
Interdepartmental transfers	51,004
Total	123,968

Sec. B.136.1 Ethics Commission

Personal services	171,374
Operating expenses	38,979
Total	210,353

Source of funds	
Internal service funds	210,353
Total	210,353

Sec. B.137 Homeowner rebate

Grants	19,100,000
Total	19,100,000
Source of funds	
General fund	19,100,000
Total	19,100,000

Sec. B.138 Renter rebate

Grants	9,500,000
Total	9,500,000
Source of funds	
General fund	9,500,000
Total	9,500,000

Sec. B.139 Tax department - reappraisal and listing payments

Grants	3,400,000
Total	3,400,000
Source of funds	
General fund	3,400,000
Total	3,400,000

Sec. B.140 Municipal current use

Grants	20,050,000
Total	20,050,000
Source of funds	
General fund	20,050,000
Total	20,050,000

Sec. B.142 Payments in lieu of taxes

Grants	12,050,000
Total	12,050,000
Source of funds	
Special funds	12,050,000
Total	12,050,000

Sec. B.143 Payments in lieu of taxes - Montpelier

Grants	184,000
Total	184,000

Source of funds	
Special funds	184,000
Total	184,000

Sec. B.144 Payments in lieu of taxes - correctional facilities

Grants	40,000
Total	40,000
Source of funds	
Special funds	40,000
Total	40,000

Sec. B.145 Total general government

Source of funds	
General fund	117,405,610
Transportation fund	4,292,149
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	1,329,205
Total	382,870,889

Sec. B.200 Attorney general

Personal services	14,435,517
Operating expenses	2,015,028
Grants	20,000
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	4,558,245
Total	16,470,545

Sec. B.201 Vermont court diversion

Personal services	1,250
Grants	3,526,258
Total	3,527,508
Source of funds	
General fund	3,269,511

Special funds	257,997
Total	3,527,508

Sec. B.202 Defender general - public defense

Personal services	17,745,612
Operating expenses	1,393,866
Total	19,139,478
Source of funds	
General fund	18,399,825
Special funds	589,653
Interdepartmental transfers	150,000
Total	19,139,478

Sec. B.203 Defender general - assigned counsel

Personal services	7,654,274
Operating expenses	49,500
Total	7,703,774
Source of funds	
General fund	7,703,774
Total	7,703,774

Sec. B.204 Judiciary

Personal services	58,439,095
Operating expenses	12,479,384
Grants	121,030
Total	71,039,509
Source of funds	
General fund	63,414,698
Special funds	4,503,401
Federal funds	953,928
Interdepartmental transfers	2,167,482
Total	71,039,509

Sec. B.205 State's attorneys

Personal services	17,309,679
Operating expenses	2,034,016
Total	19,343,695
Source of funds	
General fund	18,734,634
Federal funds	31,000
Interdepartmental transfers	578,061
Total	19,343,695

Sec. B.206 Special investigative unit

Personal services	66,237
Operating expenses	24,295
Grants	2,140,047
Total	2,230,579
Source of funds	
General fund	2,230,579
Total	2,230,579

Sec. B.206.1 Crime Victims Advocates

Personal services	3,016,156
Operating expenses	104,396
Total	3,120,552
Source of funds	
General fund	3,120,552
Total	3,120,552

Sec. B.207 Sheriffs

Personal services	5,067,726
Operating expenses	405,868
Total	5,473,594
Source of funds	
General fund	5,473,594
Total	5,473,594

Sec. B.208 Public safety - administration

Personal services	4,620,756
Operating expenses	6,022,923
Total	10,643,679
Source of funds	
General fund	6,179,193
Special funds	4,105
Federal funds	396,362
Interdepartmental transfers	4,064,019
Total	10,643,679

Sec. B.209 Public safety - state police

Personal services	74,755,468
Operating expenses	15,992,094
Grants	1,137,841
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	1,606,414
Total	91,885,403

Sec. B.210 Public safety - criminal justice services

Personal services	5,387,100
Operating expenses	2,152,467
Total	7,539,567
Source of funds	
General fund	1,829,099
Special funds	4,975,847
Federal funds	734,621
Total	7,539,567

Sec. B.211 Public safety - emergency management

Personal services	5,420,245
Operating expenses	1,326,624
Grants	41,392,759
Total	48,139,628
Source of funds	
General fund	940,339
Special funds	710,000
Federal funds	46,427,309
Interdepartmental transfers	61,980
Total	48,139,628

Sec. B.212 Public safety - fire safety

Personal services	9,384,147
Operating expenses	3,412,948
Grants	107,000
Total	12,904,095
Source of funds	
General fund	1,586,884
Special funds	10,093,736
Federal funds	1,178,475
Interdepartmental transfers	45,000
Total	12,904,095

Sec. B.213 Public safety - Forensic Laboratory

Personal services	3,842,354
Operating expenses	1,095,166
Total	4,937,520
Source of funds	
General fund	3,768,566
Special funds	75,572
Federal funds	557,339
Interdepartmental transfers	536,043
Total	4,937,520

Sec. B.215 Military - administration

Personal services	1,056,147
Operating expenses	776,352
Grants	1,319,834
Total	3,152,333
Source of funds	
General fund	3,152,333
Total	3,152,333

Sec. B.216 Military - air service contract

Personal services	10,499,846
Operating expenses	1,504,451
Total	12,004,297
Source of funds	
General fund	775,259
Federal funds	11,229,038
Total	12,004,297

Sec. B.217 Military - army service contract

Personal services	45,473,792
Operating expenses	8,181,836
Total	53,655,628
Source of funds	
Federal funds	53,655,628
Total	53,655,628

Sec. B.218 Military - building maintenance

Personal services	827,320
Operating expenses	1,008,123
Total	1,835,443

Source of funds	
General fund	1,772,943
Special funds	62,500
Total	1,835,443

Sec. B.219 Military - veterans' affairs

Personal services	1,211,819
Operating expenses	176,383
Grants	28,500
Total	1,416,702
Source of funds	
General fund	1,096,505
Special funds	209,092
Federal funds	111,105
Total	1,416,702

Sec. B.220 Center for crime victim services

Personal services	2,061,261
Operating expenses	391,491
Grants	9,908,464
Total	12,361,216
Source of funds	
General fund	1,601,998
Special funds	4,015,490
Federal funds	6,743,728
Total	12,361,216

Sec. B.221 Criminal justice council

Personal services	2,356,811
Operating expenses	1,821,496
Total	4,178,307
Source of funds	
General fund	3,835,126
Interdepartmental transfers	343,181
Total	4,178,307

Sec. B.222 Agriculture, food and markets - administration

Personal services	3,057,449
Operating expenses	346,294
Total	3,403,743
Source of funds	
General fund	1,393,366
Special funds	1,432,323

Federal funds	578,054
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	2,780,000
Total	9,129,474
Source of funds	
General fund	3,400,278
Special funds	4,020,618
Federal funds	1,696,578
Interdepartmental transfers	12,000
Total	9,129,474

Sec. B.224 Agriculture, food and markets - agricultural development

Personal services	4,265,067
Operating expenses	734,947
Grants	15,307,498
Total	20,307,512
Source of funds	
General fund	3,077,928
Special funds	644,363
Federal funds	16,585,221
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	212,000
Total	3,763,640
Source of funds	
General fund	824,794
Special funds	2,242,158
Federal funds	343,452
Interdepartmental transfers	353,236
Total	3,763,640

Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab

Personal services	1,822,983

Operating expenses	1,438,533
Total	3,261,516
Source of funds	
General fund	1,602,665
Special funds	1,591,189
Interdepartmental transfers	67,662
Total	3,261,516

Sec. B.225.2 Agriculture, Food and Markets - Clean Water

Personal services	3,815,695
Operating expenses	745,519
Grants	11,147,000
Total	15,708,214
Source of funds	
General fund	1,817,135
Special funds	10,528,782
Federal funds	2,169,174
Interdepartmental transfers	1,193,123
Total	15,708,214

Sec. B.226 Financial regulation - administration

Personal services	2,726,198
Operating expenses	159,635
Grants	100,000
Total	2,985,833
Source of funds	
Special funds	2,985,833
Total	2,985,833

Sec. B.227 Financial regulation - banking

Personal services	2,400,645
Operating expenses	473,873
Total	2,874,518
Source of funds	
Special funds	2,874,518
Total	2,874,518

Sec. B.228 Financial regulation - insurance

Personal services	5,028,218
Operating expenses	556,622
Total	5,584,840
Source of funds	
Special funds	5,584,840

Total	5,584,840
Sec. B.229 Financial regulation - captive insurance	
Personal services	5,723,322
Operating expenses	652,707
Total	6,376,029
Source of funds	
Special funds	6,376,029
Total	6,376,029
Sec. B.230 Financial regulation - securities	
Personal services	1,269,574
Operating expenses	241,157
Total	1,510,731
Source of funds	
Special funds	1,510,731
Total	1,510,731
Sec. B.232 Secretary of state	
Personal services	22,592,899
Operating expenses	4,345,999
Grants	1,000,000
Total	27,938,898
Source of funds	
General fund	1,000,000
Special funds	19,922,486
Federal funds	7,016,412
Total	27,938,898
Sec. B.233 Public service - regulation and energy	
Personal services	10,861,325
Operating expenses	1,405,907
Grants	28,300
Total	12,295,532
Source of funds	
Special funds	11,060,542
Federal funds	992,781
Interdepartmental transfers	225,423
Enterprise funds	16,786
Total	12,295,532
Sec. B.233.1 VT Community Broadband Board	
Personal services	1,609,379

Operating expenses	269,690
Grants	150,000
Total	2,029,069
Source of funds	
Special funds	1,269,289
Federal funds	759,780
Total	2,029,069

Sec. B.234 Public utility commission

Personal services	5,052,403
Operating expenses	617,149
Total	5,669,552
Source of funds	
Special funds	5,669,552
Total	5,669,552

Sec. B.235 Enhanced 9-1-1 Board

Personal services	4,429,219
Operating expenses	471,441
Total	4,900,660
Source of funds	
Special funds	4,900,660
Total	4,900,660

Sec. B.236 Human rights commission

Personal services	927,697
Operating expenses	115,103
Total	1,042,800
Source of funds	
General fund	953,800
Federal funds	89,000
Total	1,042,800

Sec. B.236.1 Liquor & Lottery Comm. Office

Personal services	9,831,453
Operating expenses	5,667,447
Total	15,498,900
Source of funds	
Special funds	125,000
Tobacco fund	250,579
Interdepartmental transfers	70,000
Enterprise funds	15,053,321
Total	15,498,900

Sec. B.240 Cannabis Control Board

Personal services	4,242,224
Operating expenses	1,819,990
Total	6,062,214
Source of funds	
Special funds	6,062,214
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	15,070,107
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	3,795,202
Total	27,235,434
Source of funds	
General fund	12,913,202
Special funds	135,517
Federal funds	13,565,080
Interdepartmental transfers	621,635
Total	27,235,434

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

Grants	2,039,512,911
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	4,487,210
Total	2,039,512,911

Sec. B.303 Developmental disabilities council

Personal services	479,072
Operating expenses	95,765
Grants	191,595
Total	766,432
Source of funds	
Special funds	12,000
Federal funds	754,432
Total	766,432

Sec. B.304 Human services board

Personal services	703,548
Operating expenses	90,191
Total	793,739
Source of funds	
General fund	486,165
Federal funds	307,574
Total	793,739

Sec. B.305 AHS - administrative fund

Personal services	330,000
Operating expenses	13,170,000
Total	13,500,000
Source of funds	
Interdepartmental transfers	13,500,000
Total	13,500,000

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

Personal services	134,929,148
Operating expenses	44,171,193
Grants	3,112,301
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	4,508,158
Total	182,212,642

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

Personal services	547,983
Grants	899,550,794
Total	900,098,777
Source of funds	
Global Commitment fund	900,098,777
Total	900,098,777

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

Grants	63,033,948
Total	63,033,948
Source of funds	
General fund	62,151,546
Global Commitment fund	882,402
Total	63,033,948

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

Grants	34,994,888
Total	34,994,888
Source of funds	
General fund	12,511,405
Federal funds	22,483,483
Total	34,994,888

Sec. B.311 Health - administration and support

Personal services	8,373,168
Operating expenses	7,519,722
Grants	7,985,727
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	166,231
Total	23,878,617

Sec. B.312 Health - public health

Personal services	67,812,371
Operating expenses	11,025,497
Grants	46,766,832
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	25,000
Total	125,604,700

Sec. B.313 Health - substance use programs

Personal services	6,570,967
Operating expenses	511,500
Grants	58,215,510
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	39,805,567
Total	65,297,977

Sec. B.314 Mental health - mental health

Personal services	50,191,086
Operating expenses	5,517,999
Grants	270,625,138
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	14,140
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	5,627,175
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	462,127
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	98,251,027
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	15,000
Total	148,764,030

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

Personal services	5,908,038
Operating expenses	813,321
Grants	223,329,336
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	13,503,763
Total	230,050,695

Sec. B.319 Department for children and families - office of child support

Personal services	13,157,660
Operating expenses	3,759,992

Total	16,917,652
Source of funds	
General fund	5,200,064
Special funds	455,719
Federal funds	10,874,269
Interdepartmental transfers	387,600
Total	16,917,652

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

Personal services	2,252,206
Grants	10,717,444
Total	12,969,650
Source of funds	
General fund	7,376,133
Global Commitment fund	5,593,517
Total	12,969,650

Sec. B.321 Department for children and families - general assistance

Personal services	15,000
Grants	11,054,252
Total	11,069,252
Source of funds	
General fund	10,811,345
Federal funds	11,320
Global Commitment fund	246,587
Total	11,069,252

Sec. B.322 Department for children and families - 3SquaresVT

Grants	44,377,812
Total	44,377,812
Source of funds	
Federal funds	44,377,812
Total	44,377,812

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

Operating expenses	23,821
Grants	37,230,488
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	3,744,708
Total	37,254,309

Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP

Grants	16,019,953
Total	16,019,953
Source of funds	
Special funds	1,480,395
Federal funds	14,539,558
Total	16,019,953

Sec. B.325 Department for children and families - office of economic opportunity

Personal services	817,029
Operating expenses	100,407
Grants	35,466,283
Total	36,383,719
Source of funds	
General fund	28,178,010
Special funds	83,135
Federal funds	4,935,273
Global Commitment fund	3,187,301
Total	36,383,719

Sec. B.326 Department for children and families - OEO - weatherization assistance

Personal services	465,709
Operating expenses	248,905
Grants	15,147,885
Total	15,862,499
Source of funds	
Special funds	7,697,546
Federal funds	8,164,953
Total	15,862,499

Sec. B.327 Department for Children and Families - Secure Residential Treatment

Personal services	258,100
Operating expenses	42,225
Grants	3,476,862
Total	3,777,187

Source of funds	
General fund	3,747,187
Global Commitment fund	30,000
Total	3,777,187

Sec. B.328 Department for children and families - disability determination services

Personal services	7,860,410
Operating expenses	488,354
Total	8,348,764
Source of funds	
General fund	124,172
Federal funds	8,224,592
Total	8,348,764

Sec. B.329 Disabilities, aging, and independent living - administration & support

Personal services	45,217,977
Operating expenses	6,472,558
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	1,285,700
Total	51,690,535

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

Grants	24,571,060
Total	24,571,060
Source of funds	
General fund	8,392,303
Federal funds	7,321,114
Global Commitment fund	8,857,643
Total	24,571,060

Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

Grants	1,907,604
Total	1,907,604

Source of funds	
General fund	489,154
Special funds	223,450
Federal funds	890,000
Global Commitment fund	305,000
Total	1,907,604

Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation

Grants	10,179,845
Total	10,179,845
Source of funds	
General fund	1,371,845
Federal funds	7,558,000
Interdepartmental transfers	1,250,000
Total	10,179,845

Sec. B.333 Disabilities, aging, and independent living - developmental services

Grants	329,299,344
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	50,000
Total	329,299,344

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

Grants	6,845,005
Total	6,845,005
Source of funds	
Global Commitment fund	6,845,005
Total	6,845,005

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

Grants	293,584,545
Total	293,584,545
Source of funds	
General fund	498,579
Federal funds	2,450,000
Global Commitment fund	290,635,966

Total	293,584,545
Sec. B.335 Corrections - administration	
Personal services	5,025,978
Operating expenses	266,783
Total	5,292,761
Source of funds	
General fund	5,292,761
Total	5,292,761
Sec. B.336 Corrections - parole board	
Personal services	475,099
Operating expenses	59,692
Total	534,791
Source of funds	
General fund	534,791
Total	534,791
Sec. B.337 Corrections - correctional education	
Personal services	3,979,310
Operating expenses	252,649
Total	4,231,959
Source of funds	
General fund	4,082,899
Federal funds	276
Interdepartmental transfers	148,784
Total	4,231,959
Sec. B.338 Corrections - correctional services	
Personal services	147,472,104
Operating expenses	24,914,205
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	396,315
Total	172,386,309
Sec. B.338.1 Corrections - Justice Reinvestment II	
Grants	11,055,849

Total	11,055,849
Source of funds	
General fund	8,478,161
Federal funds	13,147
Global Commitment fund	2,564,541
Total	11,055,849

Sec. B.339 Corrections - Correctional services-out of state beds

Personal services	4,130,378
Total	4,130,378
Source of funds	
General fund	4,130,378
Total	4,130,378

Sec. B.340 Corrections - correctional facilities - recreation

Personal services	634,972
Operating expenses	456,715
Total	1,091,687
Source of funds	
Special funds	1,091,687
Total	1,091,687

Sec. B.341 Corrections - Vermont offender work program

Personal services	324,103
Operating expenses	166,750
Total	490,853
Source of funds	
Internal service funds	490,853
Total	490,853

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

Personal services	17,631,222
Operating expenses	5,013,462
Total	22,644,684
Source of funds	
General fund	4,320,687
Special funds	10,051,903
Federal funds	8,272,094
Total	22,644,684

Sec. B.343 Commission on women

Personal services	398,669
Operating expenses	93,837

Total	492,506
Source of funds	
General fund	487,998
Special funds	4,508
Total	492,506

Sec. B.344 Retired senior volunteer program

Grants	160,155
Total	160,155
Source of funds	
General fund	160,155
Total	160,155

Sec. B.345 Green Mountain Care Board

Personal services	8,396,809
Operating expenses	398,601
Total	8,795,410
Source of funds	
General fund	3,494,109
Special funds	5,301,301
Total	8,795,410

Sec. B.346 Office of the Child, Youth, and Family Advocate

Personal services	342,966
Operating expenses	88,820
Total	431,786
Source of funds	
General fund	431,786
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	25,000
Total	5,404,708,886

Sec. B.400 Labor - programs

Personal services	39,963,839
Operating expenses	5,708,836
Grants	9,199,639
Total	54,872,314
Source of funds	
General fund	10,916,365
Special funds	9,407,107
Federal funds	34,261,616
Interdepartmental transfers	287,226
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	287,226
Total	54,872,314

Sec. B.500 Education - finance and administration

Personal services	22,086,664
Operating expenses	4,484,934
Grants	14,770,700
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	505,297
Total	41,342,298

Sec. B.501 Education - education services

Personal services	28,237,700
Operating expenses	1,134,912
Grants	322,345,763
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	962,474
Total	351,718,375

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

Grants	264,649,859
Total	264,649,859
Source of funds	
Education fund	264,649,859
Total	264,649,859

Sec. B.503 Education - state-placed students

Grants	20,000,000
Total	20,000,000
Source of funds	
Education fund	20,000,000
Total	20,000,000

Sec. B.504 Education - adult education and literacy

Grants	4,694,183
Total	4,694,183
Source of funds	
General fund	3,778,133
Federal funds	916,050
Total	4,694,183

Sec. B.504.1 Education - Flexible Pathways

Grants	11,361,755
Total	11,361,755
Source of funds	
General fund	921,500
Education fund	10,440,255
Total	11,361,755

Sec. B.505 Education - adjusted education payment

Grants	1,893,267,394
Total	1,893,267,394
Source of funds	
Education fund	1,893,267,394
Total	1,893,267,394

Sec. B.506 Education - transportation

Grants	25,306,000
Total	25,306,000
Source of funds	
Education fund	25,306,000
Total	25,306,000

Sec. B.507 Education - Merger Support Grants

Grants	1,800,000
Total	1,800,000
Source of funds	
Education fund	1,800,000
Total	1,800,000

Sec. B.507.1 Education - EL Categorical Aid

Grants	2,250,000
Total	2,250,000
Source of funds	
Education fund	2,250,000
Total	2,250,000

Sec. B.508 Education - nutrition

Grants	20,400,000
Total	20,400,000
Source of funds	
Education fund	20,400,000
Total	20,400,000

Sec. B.509 Education - Afterschool Grant Program

Personal services	500,000
Grants	3,500,000
Total	4,000,000
Source of funds	
Special funds	4,000,000
Total	4,000,000

Sec. B.510 Education - essential early education grant

Grants	8,725,587
Total	8,725,587
Source of funds	
Education fund	8,725,587
Total	8,725,587

Sec. B.511 Education - technical education

Grants	17,881,950
Total	17,881,950
Source of funds	
Education fund	17,881,950
Total	17,881,950

Sec. B.511.1 State Board of Education

Personal services	54,208
Operating expenses	16,500
Total	70,708
Source of funds	
General fund	70,708
Total	70,708

Sec. B.513 Retired Teachers Pension Plus Funding

Grants	12,000,000
Total	12,000,000
Source of funds	
General fund	12,000,000
Total	12,000,000

Sec. B.514 State teachers' retirement system

Grants	191,382,703
Total	191,382,703
Source of funds	
General fund	155,384,035
Education fund	35,998,668
Total	191,382,703

Sec. B.514.1 State teachers' retirement system administration

Personal services	349,979
Operating expenses	3,222,801
Total	3,572,780
Source of funds	
Pension trust funds	3,572,780
Total	3,572,780

Sec. B.515 Retired teachers' health care and medical benefits

Grants	62,107,644
Total	62,107,644

Source of funds	
General fund	43,031,103
Education fund	19,076,541
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	3,572,780
Total	2,936,531,236

Sec. B.600 University of Vermont

Grants	55,706,897
Total	55,706,897
Source of funds	
General fund	55,706,897
Total	55,706,897

Sec. B.602 Vermont state colleges

Grants	50,940,478
Total	50,940,478
Source of funds	
General fund	50,940,478
Total	50,940,478

Sec. B.603 Vermont state colleges - allied health

Grants	1,788,434
Total	1,788,434
Source of funds	
General fund	288,434
Global Commitment fund	1,500,000
Total	1,788,434

Sec. B.605 Vermont student assistance corporation

Grants	26,139,946
Total	26,139,946

Source of funds	
General fund	26,139,946
Total	26,139,946

Sec. B.605.1 VSAC - Flexible Pathways Stipend

Grants	82,450
Total	82,450
Source of funds	
General fund	41,225
Education fund	41,225
Total	82,450

Sec. B.606 New England higher education compact

Grants	86,520
Total	86,520
Source of funds	
General fund	86,520
Total	86,520

Sec. B.607 University of Vermont - Morgan Horse Farm

Grants	1
Total	1
Source of funds	
General fund	1
Total	1

Sec. B.608 Total higher education

Source of funds	
General fund	133,203,501
Education fund	41,225
Global Commitment fund	1,500,000
Total	134,744,726

Sec. B.700 Natural resources - agency of natural resources - administration

Personal services	6,006,412
Operating expenses	1,475,166
Total	7,481,578
Source of funds	
General fund	5,129,356
Special funds	775,079
Interdepartmental transfers	1,577,143
Total	7,481,578

Sec. B.701 Natural resources - state land local property tax assessment

Operating expenses	2,689,176
Total	2,689,176
Source of funds	
General fund	2,267,676
Interdepartmental transfers	421,500
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	853,066
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	1,490,597
Total	30,294,005

Sec. B.703 Forests, parks and recreation - administration

Personal services	1,347,215
Operating expenses	1,658,662
Total	3,005,877
Source of funds	
General fund	2,867,366
Special funds	138,511
Total	3,005,877

Sec. B.704 Forests, parks and recreation - forestry

Personal services	7,880,566
Operating expenses	1,005,046
Grants	1,712,423
Total	10,598,035
Source of funds	
General fund	6,299,512
Special funds	547,215
Federal funds	3,394,931
Interdepartmental transfers	356,377
Total	10,598,035

Sec. B.705 Forests, parks and recreation - state parks

Personal services	13,641,062
Operating expenses	5,555,506
Grants	50,000
Total	19,246,568
Source of funds	
General fund	1,461,122
Special funds	17,785,446
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	3,729,759
Total	14,660,682
Source of funds	
General fund	1,179,068
Special funds	2,283,759
Federal funds	10,802,370
Interdepartmental transfers	395,485
Total	14,660,682

Sec. B.708 Forests, parks and recreation - forest and parks access roads

Personal services	130,000
Operating expenses	99,925
Total	229,925
Source of funds	
General fund	229,925
Total	229,925

Sec. B.709 Environmental conservation - management and support services

Personal services	9,202,579
Operating expenses	4,811,255
Grants	122,735
Total	14,136,569
Source of funds	
General fund	2,243,575
Special funds	794,867
Federal funds	2,164,711
Interdepartmental transfers	8,933,416
Total	14,136,569

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

Personal services	27,995,328
Operating expenses	10,788,954
Grants	4,943,000
Total	43,727,282
Source of funds	
General fund	199,372
Special funds	24,643,580
Federal funds	18,800,064
Interdepartmental transfers	84,266
Total	43,727,282

Sec. B.711 Environmental conservation - office of water programs

Personal services	50,153,806
Operating expenses	8,362,915
Grants	92,365,140
Total	150,881,861
Source of funds	
General fund	11,887,629
Special funds	30,967,150
Federal funds	107,154,542
Interdepartmental transfers	872,540
Total	150,881,861

Sec. B.713 Natural resources board

Personal services	3,313,829
Operating expenses	421,198
Total	3,735,027
Source of funds	
General fund	760,232
Special funds	2,974,795
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	14,131,324
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	389,320
Total	3,597,146
Source of funds	
General fund	3,597,146
Total	3,597,146
Sec. B.801 Economic development	
Personal services	4,612,442
Operating expenses	1,215,603
Grants	6,539,044
Total	12,367,089
Source of funds	
General fund	5,701,138
Special funds	820,850
Federal funds	4,021,428
Interdepartmental transfers	1,823,673
Total	12,367,089
Sec. B.802 Housing and community development	
Personal services	7,645,042
Operating expenses	910,983
Grants	23,978,656
Total	32,534,681
Source of funds	
General fund	5,365,841
Special funds	8,702,439
Federal funds	14,615,349
Interdepartmental transfers	3,851,052
Total	32,534,681
Sec. B.806 Tourism and marketing	
Personal services	5,332,723
Operating expenses	6,090,577
Grants	3,920,000
Total	15,343,300
Source of funds	
General fund	4,785,247
Federal funds	10,483,053

Interdepartmental transfers	75,000
Total	15,343,300

Sec. B.808 Vermont council on the arts

Grants	973,848
Total	973,848
Source of funds	
General fund	973,848
Total	973,848

Sec. B.809 Vermont symphony orchestra

Grants	149,680
Total	149,680
Source of funds	
General fund	149,680
Total	149,680

Sec. B.810 Vermont historical society

Grants	1,135,640
Total	1,135,640
Source of funds	
General fund	1,135,640
Total	1,135,640

Sec. B.811 Vermont housing and conservation board

Grants	82,283,351
Total	82,283,351
Source of funds	
Special funds	25,607,155
Federal funds	56,676,196
Total	82,283,351

Sec. B.812 Vermont humanities council

Grants	309,000
Total	309,000
Source of funds	
General fund	309,000
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	5,749,725
Total	148,693,735

Sec. B.900 Transportation - finance and administration

Personal services	18,099,986
Operating expenses	6,108,609
Grants	350,000
Total	24,558,595
Source of funds	
Transportation fund	23,202,105
Federal funds	1,356,490
Total	24,558,595

Sec. B.901 Transportation - aviation

Personal services	3,907,105
Operating expenses	17,194,905
Grants	737,501
Total	21,839,511
Source of funds	
Transportation fund	5,766,122
Federal funds	16,073,389
Total	21,839,511

Sec. B.902 Transportation - buildings

Personal services	1,025,000
Operating expenses	1,800,000
Total	2,825,000
Source of funds	
Transportation fund	2,825,000
Total	2,825,000

Sec. B.903 Transportation - program development

Personal services	82,232,854
Operating expenses	307,766,179
Grants	30,605,814
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	4,224,314

Total	420,604,847

Sec. B.904 Transportation - rest areas construction

Personal services	300,000
Operating expenses	1,185,601
Total	1,485,601
Source of funds	
Transportation fund	148,560
Federal funds	1,337,041
Total	1,485,601

Sec. B.905 Transportation - maintenance state system

Personal services	42,757,951
Operating expenses	63,680,546
Total	106,438,497
Source of funds	
Transportation fund	105,406,483
Federal funds	932,014
Interdepartmental transfers	100,000
Total	106,438,497

Sec. B.906 Transportation - policy and planning

Personal services	4,108,918
Operating expenses	942,444
Grants	9,000,491
Total	14,051,853
Source of funds	
Transportation fund	3,137,901
Federal funds	10,797,449
Interdepartmental transfers	116,503
Total	14,051,853

Sec. B.906.1 Transportation - Environmental Policy and Sustainability

Personal services	6,953,362
Operating expenses	1,176,411
Grants	1,480,000
Total	9,609,773
Source of funds	
Transportation fund	531,909
Federal funds	7,900,327
Local match	1,177,537
Total	9,609,773

Sec. B.907 Transportation - rail	
Personal services	5,734,768
Operating expenses	43,012,063
Total	48,746,831
Source of funds	
Transportation fund	15,690,849
Federal funds	30,641,237
Interdepartmental transfers	2,196,000
Local match	218,745
Total	48,746,831
Sec. B.908 Transportation - public transit	
Personal services	4,612,631
Operating expenses	119,894
Grants	50,807,700
Total	55,540,225
Source of funds	
Transportation fund	9,807,525
Federal funds	45,592,700
Interdepartmental transfers	140,000
Total	55,540,225
Sec. B.909 Transportation - central garage	
Personal services	5,480,920
Operating expenses	18,070,315
Total	23,551,235
Source of funds	
Internal service funds	23,551,235
Total	23,551,235
Sec. B.910 Department of motor vehicles	
Personal services	33,713,124
Operating expenses	13,549,772
Total	47,262,896
Source of funds	
Transportation fund	44,454,119
Federal funds	2,687,081
Interdepartmental transfers	121,696
Total	47,262,896
Sec. B.911 Transportation - town highway structures	
Grants	8,016,000

Total	8,016,000
Source of funds	
Transportation fund	8,016,000
Total	8,016,000

Sec. B.912 Transportation - town highway local technical assistance program

Personal services	449,763
Operating expenses	31,689
Total	481,452
Source of funds	
Transportation fund	121,452
Federal funds	360,000
Total	481,452

Sec. B.913 Transportation - town highway class 2 roadway

Grants	8,858,000
Total	8,858,000
Source of funds	
Transportation fund	8,858,000
Total	8,858,000

Sec. B.914 Transportation - town highway bridges

Personal services	12,185,000
Operating expenses	33,149,278
Total	45,334,278
Source of funds	
TIB fund	3,973,281
Federal funds	39,264,097
Local match	2,096,900
Total	45,334,278

Sec. B.915 Transportation - town highway aid program

Grants	29,532,753
Total	29,532,753
Source of funds	
Transportation fund	29,532,753
Total	29,532,753

Sec. B.916 Transportation - town highway class 1 supplemental grants

Grants	128,750
Total	128,750
Source of funds	
Transportation fund	128,750

Total	128,750

Sec. B.917 Transportation - town highway: state aid for nonfederal disasters

Grants	1,150,000
Total	1,150,000
Source of funds	
Transportation fund	1,150,000
Total	1,150,000

Sec. B.918 Transportation - town highway: state aid for federal disasters

Personal services	25,000
Grants	155,000
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	160,000
Total	180,000

Sec. B.919 Transportation - municipal mitigation assistance program

Personal services	125,000
Operating expenses	280,000
Grants	6,738,000
Total	7,143,000
Source of funds	
Transportation fund	715,000
Special funds	5,000,000
Federal funds	1,428,000
Total	7,143,000

Sec. B.920 Transportation - public assistance grant program

Operating expenses	200,000
Grants	1,050,000
Total	1,250,000
Source of funds	
Special funds	50,000
Federal funds	1,000,000
Interdepartmental transfers	200,000
Total	1,250,000

Sec. B.921 Transportation board

Personal services	176,315
Operating expenses	23,782
Total	200,097

Source of funds	
Transportation fund	200,097
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	7,717,496
Total	878,789,194

Sec. B.1000 Debt service

Operating expenses	675,000
Total	675,000
Source of funds	
General fund	675,000
Total	675,000

Sec. B.1001 Total debt service

Source of funds	
General fund	675,000
Total	675,000

* * * Fiscal Year 2025 One-Time Appropriations * * *

Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2025 ONE-TIME APPROPRIATIONS

(a) Department of Public Safety. In fiscal year 2025, funds are appropriated for the following:

(1) $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.

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~~	85,860,842
Total	~~102,342,338~~	92,342,338
Source of funds		
General fund	~~35,016,309~~	25,016,309

Special funds		16,745,000
Federal funds		37,419,258
Global Commitment fund		13,161,771
Total	~~102,342,338~~	92,342,338

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.

(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:

1210002000	Legislature	$211,576.00

1215001000	Legislative Counsel	$301,089.00
1220000000	Joint Fiscal Committee/Office	$301,010.46
1220890501	Budget System/Transfer to Tax Dept	$39.54
1220891802	Decarbonization Mech Study	$39.00
3150892104	MH – Case Management Serv	$350,000.00
1100892201	Agency of Administration – 27/53 Reserve	$8,064,362.69
1100892302	Agency of Administration – Trans. Retirement	$3,935,637.31

(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:

3440892306	DCF – OEO – Home Weatherization Assistance	$5,000,000.00

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.

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.~~

~~(c)~~ The ~~Fund shall be administered by the~~ Department of Health~~, which~~ shall make funds available to the University of Vermont College of Medicine area health education centers (AHEC) program for loan repayment awards. The Commissioner may require certification of compliance with this section prior to the making of an award.

~~(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.

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 residencies 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.

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(l)(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:

	~~Annual Salary as of July 3, 2022~~	~~Annual Salary as of July 2, 2023~~	Annual Salary as of July 14, 2024	Annual Salary as of July 13, 2025
(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~~	$134,466	$141,727
(B) Agriculture, Food and Markets	~~$121,634~~	~~$126,378~~	$134,466	$141,727
(C) Financial Regulation	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(D) Buildings and General Services	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(E) Children and Families	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(F) Commerce and Community Development	~~$121,634~~	~~$126,378~~	$134,466	$141,727
(G) Corrections	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(H) Defender General	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(I) Disabilities, Aging, and Independent Living	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(J) Economic Development	~~$103,149~~	~~$107,172~~	$114,031	$120,189
(K) Education	~~$121,634~~	~~$126,378~~	$134,466	$141,727
(L) Environmental Conservation	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(M) Finance and Management	~~$113,710~~	~~$118,145~~	$125,706	$132,494

(N) Fish and Wildlife	~~$103,149~~	~~$107,172~~	$114,031	$120,189
(O) Forests, Parks and Recreation	~~$103,149~~	~~$107,172~~	$114,031	$120,189
(P) Health	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(Q) Housing and Community Development	~~$103,149~~	~~$107,172~~	$114,031	$120,189
(R) Human Resources	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(S) Human Services	~~$121,634~~	~~$126,378~~	$134,466	$141,727
(T) Digital Services	~~$121,634~~	~~$126,378~~	$134,466	$141,727
(U) Labor	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(V) Libraries	~~$103,149~~	~~$107,172~~	$114,031	$120,189
(W) Liquor and Lottery	~~$103,149~~	~~$107,172~~	$114,031	$120,189
(X) [Repealed.]				
(Y) Mental Health	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(Z) Military	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(AA) Motor Vehicles	~~$103,149~~	~~$107,172~~	$114,031	$120,189
(BB) Natural Resources	~~$121,634~~	~~$126,378~~	$134,466	$141,727
(CC) Natural Resources Board Chair	~~$103,149~~	~~$107,172~~	$114,031	$120,189
(DD) Public Safety	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(EE) Public Service	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(FF) Taxes	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(GG) Tourism and Marketing	~~$103,149~~	~~$107,172~~	$114,031	$120,189
(HH) Transportation	~~$121,634~~	~~$126,378~~	$134,466	$141,727
(II) Vermont Health				

Access	~~$113,710~~	~~$118,145~~	$125,706	$132,494
(JJ) Veterans' Home	~~$113,710~~	~~$118,145~~	$125,706	$132,494

(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:

	~~Annual Salary as of July 3, 2022~~	~~Annual Salary as of July 2, 2023~~	Annual Salary as of July 14, 2024	Annual Salary as of July 13, 2025
(1) Chief Justice of Supreme Court	~~$193,600~~	~~$201,150~~	$214,024	$225,581
(2) Each Associate Justice	~~$184,771~~	~~$191,977~~	$204,264	$215,294
(3) Administrative Judge	~~$184,771~~	~~$191,977~~	$204,264	$215,294
(4) Each Superior Judge	~~$175,654~~	~~$182,505~~	$194,185	$204,671
(5) [Repealed.]				
(6) Each Magistrate	~~$132,441~~	~~$137,606~~	$146,413	$154,319

(7) Each Judicial Bureau hearing officer	~~$132,441~~	~~$137,606~~	$146,413	$154,319

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:

	~~Annual Salary as of July 3, 2022~~	~~Annual Salary as of July 2, 2023~~	Annual Salary as of July 14, 2024	Annual Salary as of July 13, 2025
(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:

~~Annual Salary as of July 3,~~	~~Annual Salary as of July 2,~~	Annual Salary as of July 14,	Annual Salary as of July 13,

	~~2022~~	~~2023~~	2024	2025
(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

Which was considered and adopted on the part of the House.

Bills Ordered Delivered to the Governor Forthwith

On motion of **Rep. McCoy of Poultney**, all bills passed by the House and Senate were ordered to be delivered to the Governor forthwith pursuant to Joint Rule 15.

Senate Notified of Completion of House Business

Rep. Long of Newfane moved that the House direct the Clerk to inform the Senate that the House has completed the business of the Biennial Session and is ready to adjourn *sine die* pursuant to the provisions of J.R.S. 56, which was agreed to.

Governor Notified of Completion of House Business

Rep. Long of Newfane moved that the Speaker appoint a committee of six to inform the Governor that the House has completed the business of the Biennial session and is ready to adjourn *sine die* pursuant to the provisions of J.R.S.56, which was agreed to. Thereupon, the Speaker appointed to serve on the Committee the following members:

Rep. Long of Newfane
Rep. McCoy of Poultney
Rep. Small of Winooski
Rep. Scheu of Middlebury
Rep. Demrow of Corinth
Rep. Harrison of Chittenden

Governor Presented at the Bar of the House

The Committee appointed to wait upon the Governor retired to the Executive Chamber and returned with His Excellency, Governor Philip B. Scott, and presented him at the bar of the House. The Governor addressed the House and, having completed his remarks, was escorted from the Hall by the Committee.

Adjournment

At two o'clock and seven minutes in the forenoon, on motion of **Rep. Long of Newfane**, the House adjourned *sine die* pursuant to the provisions of J.R.S. 56.

Concurrent Resolutions Adopted

The following concurrent resolutions, having been placed on the Consent Calendar on the preceding legislative day, and no member having requested floor consideration as provided by Rule 16b of the Joint Rules of the Senate and House of Representatives, are hereby adopted on the part of the House:

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 gleaning 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

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

[The full text of the concurrent resolutions appeared in the House and Senate Calendar Addendums on the preceding legislative day and will appear in the Public Acts and Resolves of the 2024 Adjourned Session.]