

Journal of the House

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
Adelynn Cimonetti of Shrewsbury
Aliyah Ivey-Leake of Shaftsbury
Juliet Lyon-Horne of South Hero
Colin McIntyre of Marshfield
Madeline Picuch of East 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:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	4,612,631	4,612,631	0
Operat. Exp.	119,894	119,894	0
Grants	51,907,700	50,807,700	-1,100,000
Total	56,640,225	55,540,225	-1,100,000

Sources of funds

State	9,807,525	9,807,525	0
Federal	46,692,700	45,592,700	-1,100,000
Interdept.	140,000	140,000	0
Total	56,640,225	55,540,225	-1,100,000

(2) The amendment set forth in subdivision (1) of this subsection shall be reflected in a \$1,100,000.00 reduction of Carbon Reduction Funding for the Capital-CRF CRFP (24) (for Capital Support for E-Vehicles), from \$4,000,000.00 to \$2,900,000.00.

(b) Environmental Policy and Sustainability Program.

(1) Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for the Environmental Policy and Sustainability Program, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	6,953,362	6,953,362	0
Operat. Exp.	76,411	1,176,411	1,100,000
Grants	1,480,000	1,480,000	0

Total	8,509,773	9,609,773	1,100,000
<u>Sources of funds</u>			
State	531,909	531,909	0
Federal	6,800,327	7,900,327	1,100,000
Local	1,177,537	1,177,537	0
Total	8,509,773	9,609,773	1,100,000

(2) Of the funds authorized by this subsection, the Environmental Policy and Sustainability Program, in consultation with Central Garage, shall spend \$1,100,000.00 for electrification of the Central Garage fleet.

(c) Central Garage. Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for the Central Garage, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	5,480,920	5,480,920	0
Operat. Exp.	19,170,315	18,070,315	-1,100,000
Total	24,651,235	23,551,235	-1,100,000
<u>Sources of funds</u>			
Int. Svc.	24,651,235	23,551,235	-1,100,000
Total	24,651,235	23,551,235	-1,100,000

(d) Electric vehicle supply equipment (EVSE). Notwithstanding of 19 V.S.A. § 11a or any other provision of law to the contrary, the Agency shall distribute \$1,700,000.00 in one-time Transportation Fund monies to the Agency of Commerce and Community Development for the purpose of providing grants to increase Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings, or both, as those terms are defined in 2022 Acts and Resolves No. 185, Sec. E.903.

* * * Highway Maintenance * * *

Sec. 5. HIGHWAY MAINTENANCE

Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Maintenance, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Person. Svcs.	42,757,951	42,757,951	0

Operat. Exp.	65,840,546	63,680,546	-2,160,000
Total	108,598,497	106,438,497	-2,160,000
<u>Sources of funds</u>			
State	107,566,483	105,406,483	-2,160,000
Federal	932,014	932,014	0
Inter Unit	100,000	100,000	0
Total	108,598,497	106,438,497	-2,160,000

* * * Maintenance Program; Central Garage; Restoration
of Appropriations * * *

Sec. 6. MAINTENANCE PROGRAM; CENTRAL GARAGE;
RESTORATION OF APPROPRIATIONS

Restoring the fiscal year 2025 Maintenance Program and Central Garage appropriations and authorizations to the levels included in the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program shall be the top fiscal priorities of the Agency.

(1) If there are unexpended State fiscal year 2024 appropriations of Transportation Fund monies, then, at the close of State fiscal year 2024, an amount up to \$3,260,000.00 of any unencumbered Transportation Fund monies appropriated in 2023 Acts and Resolves No. 78, Secs. B.900–B.922, which would otherwise be authorized to carry forward, is reappropriated for the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program, with up to \$2,160,000.00 directed to Maintenance and up to \$1,100,000.00 directed to the Central Garage, 30 days after the Agency sends written notification of the request for the unencumbered Transportation Fund monies to be reappropriated to the Joint Transportation Oversight Committee, provided that the Joint Transportation Oversight Committee does not send written objection to the Agency.

(2) If the Agency utilizes available federal monies in lieu of one-time Transportation Fund monies for Green Mountain Transit pursuant to Sec. 9(c) of this act, then the one-time Transportation Fund monies authorized for expenditure pursuant to Sec. 9(b) of this act that are not required for public transit may instead go towards restoring the Maintenance and Central Garage appropriations.

(3) If any unencumbered Transportation Fund monies are reappropriated pursuant to subdivision (1) of this subsection or made available pursuant to subdivision (2) of this subsection, then, within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Maintenance,

authorized spending is further amended to increase operating expenses by not more than \$2,160,000.00 in Transportation Fund monies and, within the Agency's Proposed Fiscal Year 2025 Transportation Program for the Central Garage, authorized spending is further amended to increase operating expenses by not more than \$1,100,000.00 in Transportation Fund monies.

(4) Notwithstanding subdivisions (1)–(3) of this subsection, the Agency may request further amendments to the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Maintenance and the Central Garage through the State fiscal year 2025 budget adjustment act.

* * * Town Highway Aid * * *

Sec. 7. TOWN HIGHWAY AID MONIES

Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Town Highway Aid, and notwithstanding the provisions of 19 V.S.A. § 306(a), authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	28,672,753	29,532,753	860,000
Total	28,672,753	29,532,753	860,000
<u>Sources of funds</u>			
State	28,672,753	29,532,753	860,000
Total	28,672,753	29,532,753	860,000

* * * Town Highway Structures * * *

Sec. 8. TOWN HIGHWAY STRUCTURES MONIES

(a) Within the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program for Town Highway Structures, authorized spending is amended as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	7,416,000	8,016,000	600,000
Total	7,416,000	8,016,000	600,000
<u>Sources of funds</u>			
State	7,416,000	8,016,000	600,000
Total	7,416,000	8,016,000	600,000

(b) In State fiscal year 2025, the Agency shall approve qualifying projects with a total estimated State share cost that is at least \$600,000.00 more than the minimum set forth in 19 V.S.A. § 306(e)(2).

* * * One-Time Public Transit Monies * * *

Sec. 9. ONE-TIME PUBLIC TRANSIT MONIES; GREEN MOUNTAIN TRANSIT; FARE COLLECTION, EVALUATION, AND REORGANIZATION; REPORT

(a) Project addition. The following project is added to the Agency of Transportation's Proposed Fiscal Year 2025 Transportation Program: Increased One-Time Monies for Public Transit for Fiscal Year 2025.

(b) Authorization. Spending authority for Increased One-Time Monies for Public Transit for Fiscal Year 2025 is authorized as follows:

<u>FY25</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	0	630,000	630,000
Total	0	630,000	630,000
<u>Sources of funds</u>			
State	0	630,000	630,000
Total	0	630,000	630,000

(c) Federal monies. The Agency shall utilize available federal monies in lieu of the authorization in subsection (b) of this section to the greatest extent practicable, provided that there is no negative impact on any local public transit providers.

(d) Implementation. The Agency shall distribute the authorization in subsection (b) of this section to Green Mountain Transit as one-time bridge funding for fiscal year 2025 while Green Mountain Transit stabilizes its finances, adjusts its service levels, and transitions to a sustainable funding model.

(e) Conditions; report. As a condition of receiving the grant funding, Green Mountain Transit shall do all of the following:

(1) begin collecting fares for urban and commuter transit service not later than June 1, 2024;

(2) in coordination with the Agency of Transportation, Special Service Transportation Agency, Rural Community Transportation, and Tri-Valley Transit, evaluate alternative options for delivering cost-effective urban fixed-route transit service, rural transit service, commuter service, and any other specialized services currently provided, and prepare a proposed

implementation plan, including a three-year cost and revenue plan, for recommended service transitions; and

(3) submit to the House and Senate Committees on Transportation an interim report on or before November 15, 2024 and a final report on or before February 1, 2025, detailing the findings, recommendations, and implementation plan as described in subdivision (2) of this subsection.

* * * eBike Incentives; Public Transit Programs; Authorization * * *

Sec. 10. ONE-TIME EBIKE INCENTIVE PROGRAM MONIES

(a) The definitions in 19 V.S.A. § 2901 shall apply to this section.

(b) In fiscal year 2025, the Agency is authorized to spend up to \$70,000.00 in one-time Transportation Fund monies to provide incentives under the eBike Incentive Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 28, as amended by 2022 Acts and Resolves No. 184, Sec. 23.

* * * Agency of Transportation Duties; Bonding * * *

Sec. 11. 19 V.S.A. § 10 is amended to read:

§ 10. DUTIES

The Agency shall, except where otherwise specifically provided by law:

* * *

(9) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file an additional surety bond to the Secretary and the Secretary's successor in office, for the benefit of labor, materialmen, and others, executed by a surety company authorized to transact business in this State. The surety bond shall be in such sum as the Agency shall direct, conditioned for the payment, settlement, liquidation, and discharge of the claims of all creditors for material, merchandise, labor, rent, hire of vehicles, power shovels, rollers, concrete mixers, tools, and other appliances, professional services, premiums, and other services used or employed in carrying out the terms of the contract between the contractor and the State and further conditioned for the following accruing during the term of performance of the contract: the payment of taxes, both State and municipal, and contributions to the Vermont Commissioner of Labor, accruing during the term of performance of the contract. However, provided, however, in order to obtain the benefit of the security, the claimant shall file with the Secretary a sworn statement of the claimant's claim, within 90 days after the final acceptance of the project by the State or within 90 days from the time the taxes or contributions to the Vermont Commissioner of Labor are due and payable, and, within one year after the filing of the claim, shall bring a

petition in the Superior Court in the name of the Secretary, with notice and summons to the principal, surety, and the Secretary, to enforce the claim or intervene in a petition already filed. The Secretary may, if the Secretary determines that it is in the best interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for \$100,000.00 or less, may waive the requirement of a surety bond.

* * *

* * * Delays; Transportation Program Statute;
Increased Estimated Costs; Technical Corrections * * *

Sec. 12. 19 V.S.A. § 10g is amended to read:

§ 10g. ANNUAL REPORT; TRANSPORTATION PROGRAM;
ADVANCEMENTS, CANCELLATIONS, AND DELAYS

(a) Proposed Transportation Program. The Agency of Transportation shall annually present to the General Assembly for adoption a multiyear Transportation Program covering the same number of years as the Statewide Transportation Improvement Program (STIP), consisting of the recommended budget for all Agency activities for the ensuing fiscal year and projected spending levels for all Agency activities for the following fiscal years. The Program shall include a description and year-by-year breakdown of recommended and projected funding of all projects proposed to be funded within the time period of the STIP and, in addition, a description of all projects that are not recommended for funding in the first fiscal year of the proposed Program but that are scheduled for construction during the time period covered by the STIP. The Program shall be consistent with the planning process established by 1988 Acts and Resolves No. 200, as codified in 3 V.S.A. chapter 67 and 24 V.S.A. chapter 117, the statements of policy set forth in sections 10b–10f of this title, and the long-range systems plan, corridor studies, and project priorities developed through the capital planning process under section 10i of this title.

(b) Projected spending. Projected spending in future fiscal years shall be based on revenue estimates as follows:

* * *

(c) Systemwide performance measures. The Program proposed by the Agency shall include systemwide performance measures developed by the Agency to describe the condition of the Vermont transportation network. The Program shall discuss the background and utility of the performance measures, track the performance measures over time, and, where appropriate, recommend the setting of targets for the performance measures.

(d) [Repealed.]

(e) Prior expenditures and appropriations carried forward.

* * *

(f) Adopted Transportation Program. Each year following ~~enactment~~ adoption of a Transportation Program under this section, the Agency shall prepare and make available to the public the Transportation Program ~~established~~ adopted by the General Assembly. The resulting document shall be entered in the permanent records of the Agency ~~and of the Board~~, and shall constitute the State's official Transportation Program.

(g) Project updates. The Agency's annual proposed Transportation Program shall include project updates referencing this section and listing the following:

(1) all proposed projects in the Program that would be new to the State Transportation Program ~~if adopted~~;

(2) all projects for which total estimated costs have increased by more than ~~\$8,000,000.00~~ \$5,000,000.00 from the estimate in the adopted Transportation Program for the prior fiscal year or by more than ~~100~~ 75 percent from the estimate in the ~~prior fiscal year's approved~~ adopted Transportation Program for the prior fiscal year; and

(3) all projects for which the total estimated costs have, for the first time, increased by more than \$10,000,000.00 from the Preliminary Plan estimate or by more than 100 percent from the Preliminary Plan estimate; and

(4) all projects funded for construction in the prior fiscal year's ~~approved~~ adopted Transportation Program that are no longer funded in the proposed Transportation Program submitted to the General Assembly, the projected costs for such projects in the prior fiscal year's ~~approved~~ adopted Transportation Program, and the total costs incurred over the life of each such project.

(h) Should Project delays; emergency and safety issues; additional funding; cancellations.

(1) If capital projects in the Transportation Program be are delayed because of unanticipated problems with permitting, right-of-way acquisition, construction, local concern, or availability of federal or State funds, the Secretary is authorized to advance other projects in the approved adopted Transportation Program for the current fiscal year.

(2) The Secretary is further authorized to undertake projects to resolve emergency or safety issues that are not included in the adopted Transportation

Program for the current fiscal year. Upon authorizing a project to resolve an emergency or safety issue, the Secretary shall give prompt notice of the decision and action taken to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session, ~~and when the General Assembly is not in session,~~ to the Joint Transportation Oversight Committee, the Joint Fiscal Office, and the Joint Fiscal Committee when the General Assembly is not in session. ~~Should an approved~~

(3) ~~If a project in the current adopted Transportation Program require for the current fiscal year requires~~ additional funding to maintain the ~~approved~~ schedule in the adopted Transportation Program for the current fiscal year, the Agency is authorized to allocate the necessary resources. However, the Secretary shall not delay or suspend work on ~~approved~~ projects in the adopted Transportation Program for the current fiscal year to reallocate funding for other projects except when other funding options are not available. In such case, the Secretary shall notify the Joint Transportation Oversight Committee, the Joint Fiscal Office, and the Joint Fiscal Committee when the General Assembly is not in session and the House and Senate Committees on Transportation and the Joint Fiscal Office when the General Assembly is in session. With respect to projects in the approved Transportation Program, the Secretary shall notify, ~~in the district affected,~~ the regional planning commission for the district where the affected project is located, the municipality where the affected project is located, the legislators for the district where the affected project is located, the House and Senate Committees on Transportation, and the Joint Fiscal Office of any change that likely will affect the fiscal year in which the project is planned to go to construction.

(4) No project shall be canceled without the approval of the General Assembly, except that the Agency may cancel a municipal project upon the request or concurrence of the municipality, provided that notice of the cancellation is included in the Agency's annual proposed Transportation Program.

(i) Economic development proposals. For the purpose of enabling the State, without delay, to take advantage of economic development proposals that increase jobs for Vermonters, a transportation project certified by the Governor as essential to the economic infrastructure of the State economy, or a local economy, may, if approval is required by law, be approved for construction by a committee comprising the Joint Fiscal Committee meeting with the ~~Chairs~~ chairs of the ~~Transportation~~ House and Senate Committees on Transportation or their designees without explicit project authorization through an ~~enacted~~ adopted Transportation Program, ~~in the event that such authorization is otherwise required by law.~~

(j) Plan for advancing projects. The Agency of Transportation, in coordination with the Agency of Natural Resources and the Division for Historic Preservation, shall prepare and implement a plan for advancing ~~approved~~ projects contained in the ~~approved~~ adopted Transportation Program for the current fiscal year. The plan shall include the assignment of a project manager from the Agency of Transportation for each project. The Agency of Transportation, the Agency of Natural Resources, and the Division for Historic Preservation shall set forth provisions for expediting the permitting process and establishing a means for evaluating each project during concept design planning if more than one agency is involved to determine whether it should be advanced or deleted from the Program.

(k) ~~For purposes of~~ Definition. As used in subsection (h) of this section, “emergency or safety issues” ~~shall mean~~ means:

(1) serious damage to a transportation facility caused by a natural disaster over a wide area, such as a flood, hurricane, earthquake, severe storm, or landslide; ~~or~~

(2) catastrophic or imminent catastrophic failure of a transportation facility from any cause; ~~or~~

(3) any condition identified by the Secretary as hazardous to the traveling public; or

(4) any condition evidenced by fatalities or a high incidence of crashes.

(l) Numerical grading system; priority rating. The Agency shall develop a numerical grading system to assign a priority rating to all Program Development Paving, Program Development Roadway, Program Development Safety and Traffic Operations, Program Development State and Interstate Bridge, Town Highway Bridge, and Bridge Maintenance projects. The rating system shall consist of two separate, additive components as follows:

(1) One component shall be limited to asset management- and performance-based factors that are objective and quantifiable and shall consider, ~~without limitation,~~ the following:

* * *

(2) The second component of the priority rating system shall consider, ~~without limitation,~~ the following factors:

* * *

(m) Inclusion of priority rating. The annual proposed Transportation Program shall include an individual priority rating pursuant to subsection (l) of this section for each highway paving, roadway, safety and traffic operations,

and bridge project in the ~~program~~ Program along with a description of the system and methodology used to assign the ratings.

(n) Development and evaluation projects; delays. The Agency's annual ~~proposed~~ Transportation Program shall include a project-by-project description in each program of all proposed spending of funds for the development and evaluation of projects. ~~In the approved annual Transportation Program, these~~ These funds shall be reserved to the identified projects subject to the discretion of the Secretary to reallocate funds to other projects within the program when it is determined that the scheduled expenditure of the identified funds will be delayed due to permitting, local decision making, the availability of federal or State funds, or other unanticipated problems.

(o) Year of first inclusion. For projects initially ~~approved by the General Assembly for inclusion in the State~~ included in a Transportation Program adopted after January 1, 2006, the Agency's proposed Transportation Program prepared pursuant to subsection (a) of this section and the ~~official~~ adopted Transportation Program prepared pursuant to subsection (f) of this section shall include the year in which ~~such~~ the projects were first approved by the General Assembly included in an adopted Transportation Program.

(p) Lamoille Valley Rail Trail. The Agency shall include the annual maintenance required for the Lamoille Valley Rail Trail (LVRT), running from Swanton to St. Johnsbury, in the Transportation Program it presents to the General Assembly under subsection (a) of this section. The proposed authorization for the maintenance of the LVRT shall be sufficient to cover:

* * *

Sec. 13. PLAN FOR REPORTING DELAYS; REPORT

The Agency of Transportation shall file a written report containing a plan for how to provide sufficient notice when projects in the adopted Transportation Program are delayed to the House and Senate Committees on Transportation not later than December 15, 2024.

* * * Appropriation Calculations * * *

* * * Central Garage Fund * * *

Sec. 14. 19 V.S.A. § 13(c) is amended to read:

(c)(1) For the purpose specified in subsection (b) of this section, the following amount, at a minimum, shall be transferred from the Transportation Fund to the Central Garage Fund:

(A) ~~in fiscal year 2021, \$1,355,358.00; and~~

~~(B) in subsequent fiscal years, at a minimum, the amount specified in subdivision (A) of this subdivision (1) as adjusted annually by increasing transferred for the previous fiscal year's amount by the percentage increase in the year increased by the percentage change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the two most recently closed State fiscal years if the percentage change is positive; or~~

(B) the amount transferred for the previous fiscal year if the percentage change is zero or negative.

* * *

(3) For purposes of subdivision (1) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the transfer will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the transfer will be made.

* * * Town Highway Aid * * *

Sec. 15. 19 V.S.A. § 306(a) is amended to read:

(a) General State aid to town highways.

(1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

~~(A) the year-over-year increase in the two most recently closed fiscal years in percentage change of the Agency's total appropriations funded by Transportation Fund revenues, excluding appropriations for town highways under this subsection (a), for the most recently closed fiscal year as compared to the fiscal year immediately preceding the most recently closed fiscal year; or~~

~~(B) the percentage increase change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the same period in subdivision (1)(A) of this subsection.~~

~~(2) If the year-over-year change in appropriations specified in either subdivision (1)(A) or (B) of this subsection is negative, then the appropriation to town highways under this subsection shall be equal to the previous fiscal year's appropriation~~ For purposes of subdivision (1)(B) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or

decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the appropriation will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the appropriation will be made.

* * *

* * * Right-of-Way Permits; Fees * * *

Sec. 16. 19 V.S.A. § 1112 is amended to read:

§ 1112. DEFINITIONS; FEES

(a) As used in this section:

(1) “Major commercial development” means a commercial development for which the Agency requires the applicant to submit a traffic impact study in support of its application under section 1111 of this ~~title~~ chapter.

(2) “Minor commercial development” means a commercial development for which the Agency does not require the applicant to submit a traffic impact study in support of its application under section 1111 of this ~~title~~ chapter.

* * *

(b) The Secretary shall collect the following fees for each application for the following types of permits issued pursuant to section 1111 of this ~~title~~ chapter:

* * *

(3) minor commercial development:	\$250.00
-----------------------------------	----------

* * *

(c) Notwithstanding subdivision (b)(3) of this section, the Secretary may waive the collection of the fee for a permit issued pursuant to section 1111 of this chapter for a minor commercial development if the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and the Secretary has determined that the permit applicant is facing hardship, provided that the permit is applied for during the declared state of emergency or within the six months following the conclusion of the declared state of emergency.

* * * Vehicle Incentive Programs * * *

* * * Replace Your Ride Program * * *

Sec. 17. 19 V.S.A. § 2904(d)(2)(B) is amended to read:

(B) For purposes of the Replace Your Ride Program:

(i) An “older low-efficiency vehicle”:

* * *

(VI) passed the annual inspection required under 23 V.S.A. § 1222 within the prior year 18 months.

* * *

Sec. 18. 19 V.S.A. § 2904a is added to read:

§ 2904a. REPLACE YOUR RIDE PROGRAM FLEXIBILITY;
EMERGENCIES

Notwithstanding subdivisions 2904(d)(2)(A) and (d)(2)(B)(i)(IV)–(VI) of this chapter, the Agency of Transportation is authorized to waive or modify the eligibility requirements for the Replace Your Ride Program under subdivisions (d)(2)(B)(i)(IV)–(VI) that pertain to the removal of an eligible vehicle as required under subdivision 2904(d)(2)(A) of this chapter provided that:

(1) the Governor has declared a state of emergency under 20 V.S.A. chapter 1 and, due to the event or events underlying the state of emergency, motor vehicles registered in Vermont have been damaged or totaled;

(2) the waived or modified eligibility requirements are prominently posted on any websites maintained by or at the direction of the Agency for purposes of providing information on the vehicle incentive programs;

(3) the waived or modified eligibility requirements are only applicable:

(A) upon a showing that the applicant for an incentive under the Replace Your Ride Program was a registered owner of a motor vehicle that was damaged or totaled due to the event or events underlying the state of emergency at the time of the event or events underlying the state of emergency; and

(B) for six months after the conclusion of the state of emergency; and

(4) the waiver or modification of eligibility requirements and resulting impact are addressed in the annual reporting required under section 2905 of this chapter.

* * * Electrify Your Fleet Program * * *

Sec. 19. 2023 Acts and Resolves No. 62, Sec. 21 is amended to read:

Sec. 21. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

* * *

(d) Program structure. The Electrify Your Fleet Program shall reduce the greenhouse gas emissions of persons operating a motor vehicle fleet in Vermont by structuring purchase and lease incentive payments on a first-come, first-served basis to replace vehicles other than a plug-in electric vehicle (PEV) cycled out of a motor vehicle fleet or avoid the purchase of vehicles other than a PEV for a motor vehicle fleet. Specifically, the Electrify Your Fleet Program shall:

* * *

(2) provide ~~\$2,500.00~~ purchase and lease incentives up to 25 percent of the purchase price, but not to exceed \$2,500.00, for:

* * *

(C) electric bicycles and electric cargo bicycles with a base MSRP of ~~\$6,000.00~~ \$10,000.00 or less;

(D) adaptive electric cycles with any base MSRP;

(E) electric motorcycles with a base MSRP of \$30,000.00 or less;
and

(F) electric snowmobiles with a base MSRP of \$20,000.00 or less;
and

(G) electric all-terrain vehicles (ATVs), as defined in 23 V.S.A. § 3501 and including electric utility terrain vehicles (UTVs), with a base MSRP of \$50,000.00 or less;

* * *

* * * eBike Incentives; Eligibility * * *

Sec. 20. 2023 Acts and Resolves No. 62, Sec. 22 is amended to read:

Sec. 22. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM;
REPORT

* * *

(d) Reporting. The Agency of Transportation shall address incentives for electric bicycles, electric cargo bicycles, and adaptive electric cycles provided pursuant to this section in the ~~January 31, 2024~~ annual report required under 19 V.S.A. § 2905, as added by Sec. 19 of this act, including:

(1) the demographics of who received an incentive under the eBike Incentive Program;

(2) a breakdown of where vouchers were redeemed;

(3) a breakdown, by manufacturer and type, of electric bicycles, electric cargo bicycles, and adaptive electric cycles incentivized;

(4) a detailed summary of information provided in the self-certification forms and a description of the Agency's post-voucher sampling audits and audit findings, together with any recommendations to improve program design and cost-effectively direct funding to recipients who need it most; and

(5) a detailed summary of information collected through participant surveys.

* * * Annual Reporting * * *

Sec. 21. 19 V.S.A. § 2905 is amended to read:

§ 2905. ANNUAL REPORTING; VEHICLE INCENTIVE PROGRAMS

(a) The Agency shall annually evaluate the programs established under sections 2902–2904 of this chapter to gauge effectiveness and shall submit a written report on the effectiveness of the programs and the State's marketing and outreach efforts related to the programs to the House and Senate Committees on Transportation, the House Committee on Environment and Energy, and the Senate Committee on ~~Finance~~ Natural Resources and Energy on or before the 31st day of January in each year following a year that an incentive was provided through one of the programs.

(b) The report shall also include:

(1) any intended modifications to program guidelines for the upcoming fiscal year along with an explanation for the reasoning behind the modifications and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions; ~~and~~

(2) any recommendations on statutory modifications to the programs, including to income and vehicle eligibility, along with an explanation for the reasoning behind the statutory modification recommendations and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions; and

(3) any recommendations for how to better conduct outreach and marketing to ensure the greatest possible uptake of incentives under the programs.

(c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required if an incentive is provided through one of the programs unless the General Assembly takes specific action to repeal the report requirement.

* * * Authority to Transfer Monies in State Fiscal Year 2025 * * *

Sec. 22. TRANSFER OF MONIES BETWEEN VEHICLE INCENTIVE PROGRAMS IN STATE FISCAL YEAR 2025

(a) Notwithstanding 32 V.S.A. § 706 and any appropriations or authorizations of monies for vehicle incentive programs created under 19 V.S.A. §§ 2902–2904, in State fiscal year 2025 the Secretary of Transportation may transfer up to 50 percent of any remaining monies for a vehicle incentive program created under 19 V.S.A. §§ 2902–2904 to any other vehicle incentive program created under 19 V.S.A. §§ 2902–2904 that has less than \$500,000.00 available for distribution as a vehicle incentive.

(b) Any transfers made pursuant to subsection (a) of this section shall be reported to the Joint Transportation Oversight Committee and the Joint Fiscal Office within 30 days after the transfer.

* * * Electric Vehicle Supply Equipment (EVSE) * * *

Sec. 23. 19 V.S.A. chapter 29 is amended to read:

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 policies, the portion of GWSA emission reduction requirements for 2030 and 2050 that are attributable to the transportation sector will not be met and states that: “Of the

additional programs, a cap-and-invest and/or Clean Transportation Standard program are likely the two most promising options to close the gap in projected emissions vs. required emissions levels for the transportation sector. . .”

(7) There remains a need for further, more detailed analysis of policy options.

(b) Written analysis. The Agency of Natural Resources, specifically the Climate Action Office, and the Agency of Transportation, in consultation with the State Treasurer; the Departments of Finance and Management, of Motor Vehicles, and of Taxes; and the VCC, including those councilors appointed by the General Assembly to provide expertise in energy and data analysis, expertise and professional experience in the design and implementation of programs to reduce greenhouse gas emissions, and representation of a statewide environmental organization as outlined in the adopted January 12, 2024 Transportation Addendum to the Climate Action Plan, shall prepare a written analysis of policy and investment scenarios to reduce emissions in the transportation sector in Vermont and meet the greenhouse gas reduction requirements of 10 V.S.A. § 578, as amended by Sec. 3 of the Global Warming Solutions Act (2020 Acts and Resolves No. 153).

(c) Scenario development. At a minimum, the written analysis required under subsection (b) of this section shall address the pros, cons, costs, and benefits of the following:

(1) Vermont participating in regional or cap-and-invest program, such as the Western Climate Initiative (WCI) and the New York Cap-and-Invest program;

(2) Vermont adopting a clean transportation fuel standard, which would be a performance standard or performance-based regulatory approach covering transportation fuels; and

(3) Vermont implementing other potential revenue-raising, carbon-pollution reduction strategies.

(d) Emission reduction scenarios; administration. The written analysis shall include an estimate of the amount of emissions reduction to be generated from a minimum of four scenarios, to include a business-as-usual, low-, medium-, and high-greenhouse gas emissions reduction, analyzed under subsection (c) of this section and a summary of how each proposal analyzed under subsection (c) of this section would be administered.

(e) Revenue and cost estimate; timeline. The written analysis completed pursuant to subsections (b)–(d) of this section shall be provided to the State Treasurer to review cost and revenue projections for each scenario. The State

Treasurer shall make a written recommendation to the General Assembly regarding any viable approaches.

(f) Public access; committees; due date.

(1) The Climate Action Office shall maintain a publicly accessible website with information related to the development of the written analysis required under subsection (b) of this section.

(2) The Agencies of Natural Resources and of Transportation, in consultation with the State Treasurer, shall file a status update on the development of the written analysis required under subsection (b) of this section with the House and Senate Committees on Transportation, the House Committees on Environment and Energy and on Ways and Means, and the Senate Committees on Finance and on Natural Resources and Energy not later than November 15, 2024.

(3) The Agencies of Natural Resources and of Transportation, in consultation with the State Treasurer, shall file the written analysis required under subsection (b) of this section and the State Treasurer's written recommendation to the General Assembly regarding any viable approaches required under subsection (e) of this section with the House and Senate Committees on Transportation, the House Committees on Environment and Energy and on Ways and Means, and the Senate Committees on Finance and on Natural Resources and Energy not later than February 15, 2025.

(g) Use of consultant. The Agencies of Natural Resources and of Transportation shall retain a consultant that is an expert in comprehensive transportation policy with a core focus on emission reductions and economic modeling to undertake the analysis and to provide the State Treasurer with any additional information needed to inform the State Treasurer's recommendations regarding any viable approaches required under subsections (b)–(e) of this section.

(h) Costs.

(1) If the costs of the consultant required under subsection (g) of this section are eligible expenditures under the U.S. Environmental Protection Agency's (EPA) Climate Pollution Reduction Grants (CPRG) program, then that shall be the source of funding to cover the costs of the consultant required under subsection (g) of this section.

(2) The State Treasurer may use funds appropriated in State fiscal year 2025 to complete the work required under subsection (e) of this section, including administrative costs and third-party consultation.

* * * Better Connections Grant Program * * *

Sec. 34. 19 V.S.A. § 319 is added to read:

§ 319. BETTER CONNECTIONS GRANT PROGRAM

(a) The Better Connections Grant Program is created and shall be administered and staffed by the Policy, Planning and Research Bureau of the Agency in collaboration with the Agency of Commerce and Community Development and the Agency of Natural Resources.

(b) The Program shall be funded through appropriations to the Agency for policy, planning, and research.

(c) The Program shall provide planning grants to aid municipalities to coordinate municipal land use decisions with transportation investments that build community resilience to:

(1) provide a safe, multimodal, and resilient transportation system that supports the Vermont economy;

(2) support downtown and village economic development and revitalization efforts; and

(3) lead directly to project implementation demonstrated by municipal capacity and readiness to implement.

* * * Transportation Funding Study * * *

Sec. 35. TRANSPORTATION FUNDING STUDY; CONSULTANT; REPORT

(a) The General Assembly finds:

(1) Vermont's transportation system is crucial to every resident, student, worker, visitor, and business located in Vermont; serves as the backbone of the economy; and is a critical component of Vermont's economic competitiveness.

(2) The State must continue to pursue an equitable transportation network in which communities have improved access to all modes of transportation, enhancing access to jobs, housing, and other services.

(3) In order to keep up with the maintenance, repair, and construction necessary to maintain the State's transportation infrastructure, additional State revenue needs to be raised in order to meet the nonfederal match for all federal monies for which Vermont is eligible and that is awarded to Vermont through competitive federal grants.

(4) Several public transit funding studies have been presented to the General Assembly, in 2015, 2021, and 2024, that highlight growing labor costs, changed ridership habits, a reduction in federal monies intended to

minimize person-to-person contact during the COVID-19 pandemic, increased service needs, and an anticipated funding cliff just to maintain current levels of service and operation in State fiscal year 2026.

(5) Vermont will continue to contend with transportation funding shortfalls due to decreased motor fuel tax revenue, on both gasoline and diesel, due to increasing vehicle fuel efficiency and the continued adoption of plug-in electric vehicles.

(6) The Agency of Transportation is studying and seeking federal competitive grant funding to implement, possibly as early as July 1, 2025, a mileage-based user fee (MBUF) as a way to supplant lost motor fuel tax revenue from Vermonters who own a battery electric vehicle that is charged at home.

(7) While motor fuels represent a significant source of funding for the Transportation Fund, they are only one component of the State's overall transportation funding.

(8) In addition to an MBUF, the State must identify new and innovative funding and policy options needed to adequately maintain Vermont's transportation system and support future growth.

(b) The Agency of Transportation shall invest not more than \$100,000.00 to contract with an independent third-party consultant with expertise in transportation funding and finance.

(c) The consultant shall consider and evaluate issues related to transportation funding in order to identify mechanisms to sufficiently fund transportation projects and operations through appropriations by the General Assembly. Specifically, the consultant shall:

(1) evaluate current transportation funding in Vermont, taking into account the viability of existing revenue sources and funding distributions;

(2) consider future trends that will impact the multimodal transportation system, including inflation, safety needs, racial equity, electric vehicles, and climate change;

(3) consider new and innovative funding options and alternative solutions employed by other states;

(4) consider how an MBUF can, along with other new and traditional funding mechanisms, provide sustainable transportation funding; and

(5) provide a report of transportation revenue projection scenarios through 2030, including new sources.

(d) The Agency shall send to the House and Senate Committees on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance:

(1) on or before December 15, 2024, a written update of work performed and, if available, a draft of the final report; and

(2) on or before January 15, 2025, the final written report and recommendations required by this section.

* * * Electric and Plug-In Hybrid Vehicles; EV Infrastructure Fee * * *

Sec. 36. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

(a) The annual registration fee for a pleasure car, as defined in subdivision 4(28) of this title, and including a pleasure car that is a plug-in electric vehicle, as defined in subdivision 4(85) of this title, shall be \$89.00, and the biennial fee shall be \$163.00.

(b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section.

(c) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual EV infrastructure fee for a pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision 4(85)(B) of this title, equal to one-half the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to the annual fee collected in subsection (a) of this section.

(d) The annual and biennial EV infrastructure fees collected in subsections (b) and (c) of this section shall be allocated to the Transportation Fund for programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both.

Sec. 37. EV INFRASTRUCTURE FEE; ELECTRIC VEHICLES

The Department of Motor Vehicles shall implement a public outreach campaign regarding EV infrastructure fees for battery electric vehicles and plug-in electric hybrid vehicles not later than October 1, 2024. The campaign

shall disseminate information on the Department's web page and through other outreach methods.

Sec. 38. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

* * *

~~(b) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual electric vehicle (EV) infrastructure fee for a pleasure car that is a battery electric vehicle, as defined in subdivision 4(85)(A) of this title, equal to the amount of the annual fee collected in subsection (a) of this section, or a biennial EV infrastructure fee equal to two times the annual fee collected in subsection (a) of this section. [Repealed.]~~

* * *

(d) The annual and biennial EV infrastructure fees collected in subsections ~~(b)~~ and subsection (c) of this section shall be allocated to the Transportation Fund for programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both.

Sec. 39. PROPOSED FISCAL YEAR 2026 TRANSPORTATION PROGRAM; EVSE CHARGING PORTS PROJECT

The Agency of Transportation's Proposed Fiscal Year 2026 Transportation Program shall include a project that provides the estimated fiscal year 2026 revenue from the EV infrastructure fee to the Agency of Commerce and Community Development for the purpose of providing grants to increase Vermonters' access to level 1 and 2 EVSE charging ports at workplaces or multiunit dwellings, or both.

* * * Central Garage; Authority to Purchase Real Property * * *

Sec. 40. CENTRAL GARAGE; REAL PROPERTY; FACILITY DESIGN; AUTHORITY

(a)(1) Pursuant to 19 V.S.A. § 26(b), the Secretary of Transportation is authorized to use up to \$2,000,000.00 in Central Garage Fund reserve funds for the purpose of purchasing real property of approximately 23.5 acres on the Paine Turnpike in Berlin, adjacent to State-owned property, on which to site a new Central Garage.

(2) If the Secretary identifies real property other than the Berlin site described in subdivision (1) of this subsection on which the Secretary wishes to site a new Central Garage, the Secretary is authorized to use up to

\$2,000,000.00 in Central Garage Fund reserve funds to purchase the property, but only after obtaining the specific prior approval of the Joint Transportation Oversight Committee to purchase the identified property.

(b) Notwithstanding 19 V.S.A. § 13(a), the Secretary may use Central Garage Fund reserve funds for design services necessary to construct a new Central Garage on the Berlin site described in subdivision (a)(1) of this section or, following the Joint Transportation Oversight Committee's approval as set forth in subdivision (a)(2) of this section, on another site; provided, however, that the Secretary shall collaborate with the municipality in which the new Central Garage is to be located regarding the design and construction of the facility.

* * * Railroad Leases * * *

Sec. 41. 5 V.S.A. § 3405 is amended to read:

§ 3405. LEASE FOR CONTINUED OPERATION

~~(a) The Secretary, as agent for the State, with the approval of the Governor and the General Assembly or, if the General Assembly is not in session, approval of a special committee consisting of the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Transportation, is authorized to lease or otherwise arrange for the continued operation of all or any State-owned railroad property to any responsible person, provided that approval for the operation, if necessary, is granted by the federal Surface Transportation Board under 49 C.F.R. Part 1150 (certificate to construct, acquire, or operate railroad lines). The transaction shall be subject to any further terms and conditions as in the opinion of the Secretary are necessary and appropriate to accomplish the purpose of this chapter.~~

~~(b) To preserve continuity of service on State-owned railroads, the Secretary may enter into a short-term lease or operating agreement, for a term not to exceed six months, with a responsible railroad operator. Within 10 days of entering into any lease or agreement, the Secretary shall report the details of the transaction to the members of the House and Senate Committees on Transportation.~~

(c) The Secretary shall notify the House and Senate Committees on Transportation or, if the General Assembly is not in session, the Joint Transportation Oversight Committee when there are 12 months remaining on the operating lease for any State-owned railroad, and when there are 12 months remaining on a lease extension for the operating lease for any State-owned railroad.

* * * Traffic Control Devices; Adoption of MUTCD Revisions * * *

Sec. 42. 23 V.S.A. § 1025 is amended to read:

§ 1025. STANDARDS

(a) The U.S. Department of Transportation Federal Highway Administration's Manual on Uniform Traffic Control Devices for Streets and Highways (MUTCD) ~~for streets and highways,~~ as amended, shall be the standards for all traffic control signs, signals, and markings within the State. Revisions to the MUTCD shall be adopted according to the implementation or compliance dates established in federal rules.

~~(b) The latest revision of the MUTCD shall be adopted upon its effective date except in the case of~~ To the extent consistent with federal law, projects beyond a preliminary state of design that are anticipated to be constructed within two years of the otherwise applicable effective date; ~~such projects may be constructed according to the MUTCD standards applicable at the design stage.~~

(c) Existing signs, signals, and markings shall be valid until such time as they are replaced or reconstructed. When new traffic control devices are erected or placed or existing traffic control devices are replaced or repaired, the equipment, design, method of installation, placement, or repair shall conform with the MUTCD.

~~(b)~~(d) The standards of the MUTCD shall apply for both State and local authorities as to traffic control devices under their respective jurisdiction.

~~(e)~~(e) Traffic and control signals at intersections with exclusive pedestrian walk cycles shall be of sufficient duration to allow a pedestrian to leave the curb and travel across the roadway before opposing vehicles receive a green light. Determination of the length of the signal shall take into account the circumstances of persons with ambulatory disabilities.

* * * MileageSmart; Income Eligibility * * *

Sec. 43. 19 V.S.A. § 2903 is amended to read:

§ 2903. MILEAGESMART

(a) Creation; administration.

(1) There is created a used high fuel efficiency vehicle incentive program, which shall be administered by the Agency of Transportation and known as MileageSmart.

(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of MileageSmart.

(b) Program structure. MileageSmart shall structure high fuel efficiency purchase incentive payments by income to help all Vermonters benefit from more efficient driving and reduced greenhouse gas emissions, including Vermont's most vulnerable. Specifically, MileageSmart shall:

(1) apply to purchases of used high fuel-efficient motor vehicles, which for purposes of this program shall be pleasure cars with a combined city/highway fuel efficiency of at least 40 miles per gallon or miles-per-gallon equivalent as rated by the Environmental Protection Agency when the vehicle was new; and

(2) provide not more than one point-of-sale voucher worth up to \$5,000.00 to an individual who is a member of a household with an adjusted gross income that is at or below 80 percent of the State median income; provided, however, that the Agency of Transportation may reduce the income eligibility threshold based on available funding or applicant volume, or both, in order to prioritize vouchers for households with lower income.

(c) EV infrastructure fees. For the first year that a plug-in electric vehicle, as defined in 23 V.S.A. § 4(85), purchased through MileageSmart is subject to the EV infrastructure fee pursuant to 23 V.S.A. § 361(b) or (c), the amount of the fee shall be an eligible expense under MileageSmart; provided, however, that this expense eligibility shall expire at such time as a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A), takes effect in Vermont.

~~(e)~~(d) Administrative costs. Up to 15 percent of any appropriations for MileageSmart may be used for any costs associated with administering and promoting MileageSmart.

~~(d)~~(e) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of MileageSmart so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available, and such costs shall be considered administrative costs for purposes of subsection ~~(e)~~(d) of this section.

* * * Effective Dates * * *

Sec. 44. EFFECTIVE DATES

(a) This section and Secs. 9(e) (conditions for Green Mountain Transit one-time monies), 22 (transfer of monies between vehicle incentive programs in FY 2025), 40 (Central Garage; purchase of real property), and 41 (railroad leases; 5 V.S.A. § 3405) shall take effect on passage.

(b) Sec. 36 (EV infrastructure fee; 23 V.S.A. § 361) shall take effect on January 1, 2025.

(c) Sec. 38 (amendments to EV infrastructure fee; 23 V.S.A. § 361) shall take effect on the effective date of a mileage-based user fee for pleasure cars that are battery electric vehicles, as defined in 23 V.S.A. § 4(85)(A).

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

ANDREW J. PERCHLIK
THOMAS I. CHITTENDEN
RUSSELL H. INGALLS

Committee on the part of the Senate

SARA E COFFEY
CHARLES "BUTCH" H. SHAW
TIMOTHY R. CORCORAN

Committee on the part of the House

Addendum to Report of Committee of Conference 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 a 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(c) 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 (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.~~

~~(j) Notwithstanding subdivision (e)(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.~~

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§ ~~165~~ 161. PUBLIC CONTRACT ADVOCATE

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Sec. 2. 7 V.S.A. § 656 is amended to read:

§ 656. PERSON 16 YEARS OF AGE OR OLDER AND UNDER 21 YEARS OF AGE MISREPRESENTING AGE, PROCURING, POSSESSING, OR CONSUMING ALCOHOLIC BEVERAGES; CIVIL VIOLATION

* * *

(b) Issuance of notice of violation. A law enforcement officer shall issue a person who violates this section a notice of violation, in a form approved by the Court Administrator. The notice of violation shall require the person to provide ~~his or her~~ the person's name and address and shall explain procedures under this section, including that:

(1) the person shall contact the Diversion Program in the county where the offense occurred within 15 days;

(2) failure to contact the Diversion Program within 15 days will result in the case being referred to the Judicial Bureau, where the person, if found liable for the violation, will be subject to a civil penalty and a suspension of the person's operator's license and may face substantially increased insurance rates;

(3) no money should be submitted to pay any penalty until after adjudication; and

(4) the person shall notify the Diversion Program if the person's address changes.

* * *

(d) Registration in Youth Substance Abuse Safety Program. Within 15 days after receiving a notice of violation, the person shall contact the Diversion Program in the county where the offense occurred and register for the Youth Substance Abuse Safety Program. If the person fails to do so, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program

shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

(e) Notice to report to Diversion. Upon receipt from a law enforcement officer of a summons and complaint completed under this section, the Diversion Program shall send the person a notice to report to the Diversion Program. The notice to report shall provide that:

(1) The person is required to complete all conditions related to the offense imposed by the Diversion Program, including substance abuse screening and, if deemed appropriate following the screening, substance abuse assessment or substance abuse counseling, or both.

(2) If the person does not satisfactorily complete the substance abuse screening, any required substance abuse assessment or substance abuse counseling, or any other condition related to the offense imposed by the Diversion Program, the case will be referred to the Judicial Bureau, where the person, if found liable for the violation, shall be assessed a civil penalty, the person's driver's license will be suspended, and the person's automobile insurance rates may increase substantially.

(3) If the person satisfactorily completes the substance abuse screening, any required substance abuse assessment or substance abuse counseling, and any other condition related to the offense imposed by the Diversion Program, no penalty shall be imposed and the person's operator's license shall not be suspended.

(f) Diversion Program requirements.

(1) Upon being contacted by a person who has been issued a notice of violation, the Diversion Program shall register the person in the Youth Substance Abuse Safety Program. Pursuant to the Youth Substance Abuse Safety Program, the Diversion Program shall impose conditions on the person. The conditions imposed shall include only conditions related to the offense and in every case shall include a condition requiring satisfactory completion of substance abuse screening using an evidence-based tool and, if deemed appropriate following the screening, substance abuse assessment and substance abuse education or substance abuse counseling, or both. If the screener recommends substance abuse counseling, the person shall choose a State-certified or State-licensed substance abuse counselor or substance abuse treatment provider to provide the services.

(2) Substance abuse screening required under this subsection shall be completed within 60 days after the Diversion Program receives a summons

and complaint. The person shall complete all conditions at ~~his or her~~ the person's own expense.

(3) When a person has satisfactorily completed substance abuse screening, any required substance abuse education or substance abuse counseling, and any other condition related to the offense that the Diversion Program has imposed, the Diversion Program shall:

(A) ~~void~~ Void the summons and complaint with no penalty due; ~~and~~.

(B) ~~send~~ Send copies of the voided summons and complaint to the Judicial Bureau and to the law enforcement officer who completed them. Before sending copies of the voided summons and complaint to the Judicial Bureau under this subdivision, the Diversion Program shall redact all language containing the person's name, address, Social Security number, and any other information that identifies the person.

(4) If a person does not satisfactorily complete substance abuse screening, any required substance abuse education or substance abuse counseling, or any other condition related to the offense imposed by the Diversion Program ~~or if the person fails to pay the Diversion Program any required program fees~~, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

(5) A person aggrieved by a decision of the Diversion Program or alcohol counselor may seek review of that decision pursuant to Rule 75 of the Vermont Rules of Civil Procedure.

(6) Notwithstanding 3 V.S.A. §§ 163(a)(2)(C) and 164(a)(2)(C), the adult or juvenile diversion programs shall accept cases from the Youth Substance Awareness Safety Program pursuant to this section. The confidentiality provisions of 3 V.S.A. § 163 or 164 shall become effective when a notice of violation is issued pursuant to subsection (b) of this section and shall remain in effect unless the person fails to register with or complete the Youth Substance Awareness Safety Program.

* * *

Sec. 3. 18 V.S.A. § 4230b is amended to read:

§ 4230b. CANNABIS POSSESSION BY A PERSON 16 YEARS OF AGE OR OLDER AND UNDER 21 YEARS OF AGE; CIVIL VIOLATION

* * *

(b) Issuance of notice of violation. A law enforcement officer shall issue a person who violates this section with a notice of violation, in a form approved by the Court Administrator. The notice of violation shall require the person to provide ~~his or her~~ the person's name and address and shall explain procedures under this section, including that:

(1) the person shall contact the Diversion Program in the county where the offense occurred within 15 days;

(2) failure to contact the Diversion Program within 15 days will result in the case being referred to the Judicial Bureau, where the person, if found liable for the violation, will be subject to a civil penalty and a suspension of the person's operator's license and may face substantially increased insurance rates;

(3) no money should be submitted to pay any penalty until after adjudication; and

(4) the person shall notify the Diversion Program if the person's address changes.

* * *

(d) Registration in Youth Substance Awareness Safety Program. Within 15 days after receiving a notice of violation, the person shall contact the Diversion Program in the county where the offense occurred and register for the Youth Substance Awareness Safety Program. If the person fails to do so, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

(e) Notice to report to Diversion. Upon receipt from a law enforcement officer of a summons and complaint completed under this section, the Diversion Program shall send the person a notice to report to the Diversion Program. The notice to report shall provide that:

(1) The person is required to complete all conditions related to the offense imposed by the Diversion Program, including substance abuse screening and, if deemed appropriate following the screening, substance abuse assessment or substance abuse counseling, or both.

(2) If the person does not satisfactorily complete the substance abuse screening, any required substance abuse assessment or substance abuse counseling, or any other condition related to the offense imposed by the Diversion Program, the case will be referred to the Judicial Bureau, where the

person, if found liable for the violation, shall be assessed a civil penalty, the person's driver's license will be suspended, and the person's automobile insurance rates may increase substantially.

(3) If the person satisfactorily completes the substance abuse screening, any required substance abuse assessment or substance abuse counseling, and any other condition related to the offense imposed by the Diversion Program, no penalty shall be imposed and the person's operator's license shall not be suspended.

(f) Diversion Program requirements.

(1) Upon being contacted by a person who has been issued a notice of violation, the Diversion Program shall register the person in the Youth Substance Awareness Safety Program. Pursuant to the Youth Substance Awareness Safety Program, the Diversion Program shall impose conditions on the person. The conditions imposed shall include only conditions related to the offense and in every case shall include a condition requiring satisfactory completion of substance abuse screening using an evidence-based tool and, if deemed appropriate following the screening, substance abuse assessment and substance abuse education or substance abuse counseling, or both. If the screener recommends substance abuse counseling, the person shall choose a State-certified or State-licensed substance abuse counselor or substance abuse treatment provider to provide the services.

(2) Substance abuse screening required under this subsection shall be completed within 60 days after the Diversion Program receives a summons and complaint. The person shall complete all conditions at ~~his or her~~ the person's own expense.

(3) When a person has satisfactorily completed substance abuse screening, any required substance abuse education or substance abuse counseling, and any other condition related to the offense that the Diversion Program has imposed, the Diversion Program shall:

(A) Void the summons and complaint with no penalty due.

(B) Send copies of the voided summons and complaint to the Judicial Bureau and to the law enforcement officer who completed them. Before sending copies of the voided summons and complaint to the Judicial Bureau under this subdivision, the Diversion Program shall redact all language containing the person's name, address, Social Security number, and any other information that identifies the person.

(4) If a person does not satisfactorily complete substance abuse screening, any required substance abuse education or substance abuse counseling, or any other condition related to the offense imposed by the

Diversion Program or if the person fails to pay the Diversion Program any required Program fees, the Diversion Program shall file the summons and complaint with the Judicial Bureau for adjudication under 4 V.S.A. chapter 29. The Diversion Program shall provide a copy of the summons and complaint to the law enforcement officer who issued the notice of violation and shall provide two copies to the person charged with the violation.

(5) A person aggrieved by a decision of the Diversion Program or alcohol counselor may seek review of that decision pursuant to Rule 75 of the Vermont Rules of Civil Procedure.

(6) Notwithstanding 3 V.S.A. §§ 163(a)(2)(C) and 164(a)(2)(C), the adult or juvenile diversion programs shall accept cases from the Youth Substance Awareness Safety Program pursuant to this section, 18 V.S.A. § 4230f(e)(1), or 18 V.S.A. § 4230f(e)(2). The confidentiality provisions of 3 V.S.A. § 163 or 164 shall become effective when a notice of violation is issued pursuant to subsection (b) of this section, 18 V.S.A. § 4230f(e)(1), or 18 V.S.A. § 4230f(e)(2) and shall remain in effect unless the person fails to register with or complete the Youth Substance Awareness Safety Program.

* * *

Sec. 4. RESTORATIVE JUSTICE; POST-ADJUDICATION REPARATIVE PROGRAM WORKING GROUP; REPORT

(a) Creation. There is created the Post-Adjudication Reparative Program Working Group to create a Post-Adjudication Reparative Program (the "Program") that promotes uniform access to the appropriate community-based service providers for individuals sentenced to reparative boards and probation pursuant to 13 V.S.A. § 7030(a)(2) and (a)(3). The Working Group shall also study establishing a stable and reliable funding structure to support the operation of the appropriate community-based service providers.

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

(1) the Commissioner of Corrections or designee;

(2) the Chief Judge of the Vermont Superior Court or designee; and

(3) five representatives selected from different geographic regions of the State to represent the State's community-based restorative justice providers currently receiving reparative board funding from the Department of Corrections appointed by the providers.

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

(1) defining the Program and its scope;

(2) determining the offenses that presumptively qualify for referral to the Program;

(3) establishing any eligibility requirements for individuals sentenced to a reparative board or probation to be referred to the Program;

(4) designing uniform operational procedures for Program referrals from the courts, intake, data collection, participant success standards, and case closures;

(5) assessing the necessary capacity and resources of the Judiciary, the Department of Corrections, and the community-based restorative justice providers to operate the Program;

(6) exploring an approach to achieve greater stability and reliability for the community-based restorative justice providers, including the Designated Agency model; and

(7) consulting with the Office of the Attorney General, the Department of State's Attorneys and Sheriffs, the Office of the Defender General, the Center for Crime Victim Services, and other stakeholders as necessary, on considerations to incorporate into the Program.

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

(e) Report and updates.

(1) On or before January 15, 2025, the Working Group shall provide an update to the Senate Committee on Judiciary and House Committees on Corrections and Institutions and on Judiciary concerning any progress.

(2) On or before July 15, 2025, the Working Group shall provide an update to the Joint Legislatures Justice Oversight Committee concerning any progress.

(3) On or before November 15, 2025, the Working Group shall submit a written report in the form of proposed legislation to the Joint Legislative Justice Oversight Committee, the Senate Committee on Judiciary, and the House Committees on Corrections and Institutions and on Judiciary.

(f) Meetings.

(1) The Chief Judge of the Vermont Superior Court or designee shall call the first meeting of the Working Group to occur on or before August 1, 2024.

(2) The Working Group shall meet not more than six times per year.

(3) The Chief Judge of the Vermont Superior Court or designee shall serve as the Chair of the Working Group.

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

(5) The Working Group shall cease to exist on January 15, 2026.

(g) Compensation and reimbursement. Members of the Working Group who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than six meetings per year.

Sec. 5. [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 entirety and inserting in lieu thereof reader assistance headings and six new sections to be Secs. 10–15 to read as follows:

* * * Animals at Large * * *

Sec. 10. 24 V.S.A. § 2291 is amended to read:

§ 2291. ENUMERATION OF POWERS

For the purpose of promoting the public health, safety, welfare, and convenience, a town, city, or incorporated village shall have the following powers:

* * *

(21) To regulate, by means of a civil ordinance adopted pursuant to chapter 59 of this title, subject to the limitations of 13 V.S.A. § 351b and the requirement of 13 V.S.A. § 354(a), and consistent with the rules adopted by the Secretary of Agriculture, Food and Markets, pursuant to 13 V.S.A. § 352b(a), the welfare of animals in the municipality. Such ordinance may be enforced by humane officers as defined in 13 V.S.A. § 351, if authorized to do so by the municipality.

* * *

(30) To regulate by means of an ordinance adopted pursuant to chapter 59 of this title regarding the control of livestock running at large. As used in this subdivision:

(A) “Livestock” has the same meaning as in 6 V.S.A. § 761.

(B) “Livestock running at large” means any livestock found or being on any public land or public way, or land belonging to a person other than the owner of the livestock, without the landowner’s permission.

(C) “Public way” has the same meaning as in section 2501a of this title.

Sec. 11. 20 V.S.A. chapter 191, subchapter 1 is amended to read:

Subchapter 1. General Provisions

§ 3341. CATTLE, HORSES, SHEEP, GOATS, OR SWINE

A person who knowingly permits cattle, horses, sheep, goats, or swine to run at large in a public highway or yard belonging to a public building without the consent of the selectboard shall be fined by a law enforcement officer or by a municipal officer or employee not more than ~~\$10.00~~ \$100.00 nor less than ~~\$3.00~~ \$50.00 for each animal running at large.

§ 3342. PUBLIC PARK, COMMON, OR GREEN

A person who permits cattle, horses, sheep, goats, or swine to run at large in a public park, common, or green without the consent of the selectboard shall be fined by a law enforcement officer or by a municipal officer or employee not more than ~~\$25.00~~ \$100.00 nor less than ~~\$5.00~~ \$50.00 for each animal running at large.

§ 3343. YARD OF ~~TOWNHOUSE~~ MUNICIPAL BUILDING, CHURCH,
OR SCHOOLHOUSE

A person who turns cattle, horses, sheep, goats, or swine into a yard ~~belonging to a townhouse~~ of a municipal building, church, or schoolhouse, which is properly enclosed, or knowingly permits them to run in such a yard, shall be fined by a law enforcement officer or by a municipal officer or employee not more than ~~\$10.00~~ \$100.00 nor less than ~~\$3.00~~ \$50.00 for each animal running at large.

§ 3344. BURIAL GROUND

A person who knowingly turns cattle, horses, sheep, goats, or swine into a properly enclosed burial ground, or who knowingly permits them to run within a properly enclosed burial ground, shall be fined ~~\$25.00~~ by a law enforcement officer or by a municipal officer or employee not more than \$100.00 nor less than \$50.00 for each animal running at large.

§ 3345. LAND OR PREMISES OF ANOTHER

A person who knowingly permits ~~his or her~~ the person's cattle, horses, sheep, goats, swine, or domestic fowls to go upon the lands or premises of another, after the latter has given the owner notice thereof, shall be fined by a law enforcement officer or by a municipal officer or employee not more than ~~\$10.00~~ \$100.00 nor less than ~~\$2.00~~ \$50.00 for each animal running at large. Such person shall also be liable for the damages suffered, which may be recovered in a civil action.

§ 3346. BULLS

The owner or keeper of a bull may be fined by a law enforcement officer or by a municipal officer or employee not more than \$100.00 nor less than \$50.00 if such bull is more than nine months old and found unattended outside the premises owned or occupied by the owner or keeper of such bull and shall be liable to a party damaged by such bull while outside the premises of such owner or keeper. The damages may be recovered in a civil action.

* * *

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 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 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	Marcotte of Coventry	Toof of St. Albans Town
Demar of Enosburgh	Mattos of Milton	White of Bethel
Dickinson of St. Albans Town	McCoy of Poultney	Whitman of Bennington
Donahue of Northfield	McFaun of Barre Town	Williams of Granby
	Morgan of Milton	Wood of Waterbury

Those who voted in the negative are:

Andrews of Westford	Dolan of Essex Junction	Mihaly of Calais
Andriano of Orwell	Dolan of Waitsfield	Minier of South Burlington
Anthony of Barre City	Durfee of Shaftsbury	Nicoll of Ludlow
Arsenault of Williston	Elder of Starksboro	Notte of Rutland City
Bartholomew of Hartland	Emmons of Springfield	Noyes of Wolcott
Bartley of Fairfax	Farlice-Rubio of Barnet	Nugent of South Burlington
Berbeco of Winooski	Garofano of Essex	Ode of Burlington
Birong of Vergennes	Goldman of Rockingham	Patt of Worcester
Bluemle of Burlington	Graning of Jericho	Pouech of Hinesburg
Bongartz of Manchester	Headrick of Burlington	Priestley of Bradford
Boyden of Cambridge	Holcombe of Norwich	Rachelson of Burlington
Brady of Williston	Hooper of Burlington	Rice of Dorset
Brown of Richmond	Houghton of Essex Junction	Sammis of Castleton *
Burditt of West Rutland	Hyman of South Burlington	Satcowitz of Randolph
Burke of Brattleboro	James of Manchester	Scheu of Middlebury
Buss of Woodstock	Jerome of Brandon	Sheldon of Middlebury
Campbell of St. Johnsbury	Kornheiser of Brattleboro	Sims of Craftsbury
Carpenter of Hyde Park	Krasnow of South Burlington	Small of Winooski
Casey of Montpelier	LaLonde of South Burlington	Squirrell of Underhill
Chapin of East Montpelier	Lanpher of Vergennes	Stebbins of Burlington
Chase of Chester	Leavitt of Grand Isle	Stevens of Waterbury
Chase of Colchester	Logan of Burlington	Stone of Burlington
Chesnut-Tangerman of Middletown Springs	Long of Newfane	Surprenant of Barnard
Christie of Hartford	Masland of Thetford	Templeman of Brownington
Cole of Hartford	McCann of Montpelier	Toleno of Brattleboro
Conlon of Cornwall	McCarthy of St. Albans City	Torre of Moretown
Cordes of Lincoln	McGill of Bridport	Troiano of Stannard
Demrow of Corinth		Waters Evans of Charlotte
Dodge of Essex		Williams of Barre City

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

Brownell of Pownal	LaMont of Morristown	Parsons of Newbury
Hooper of Randolph	Morris of Springfield	Walker of Swanton
Labor of Morgan	Mrowicki of Putney	

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 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. § ~~4005(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 ~~(e)~~(b) of this section:

(1) a person shall either accept an acknowledged ~~statutory form~~ power of attorney or request a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title not later than seven business days after presentation of the power of attorney for acceptance;

(2) if a person requests a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title, the person shall accept the ~~statutory form~~ power of attorney not later than five business days after receipt of the certification, translation, or opinion of counsel; and

(3) a person may not require an additional or different form of power of attorney for authority granted in the ~~statutory form~~ power of attorney presented.

~~(e)~~(b) A person is not required to accept an acknowledged ~~statutory form~~ power of attorney if:

(1) the person is not otherwise required to engage in a transaction with the principal in the same circumstances;

(2) engaging in a transaction with the agent or the principal in the same circumstances would be inconsistent with federal or state law;

(3) the person has actual knowledge of the termination of the agent’s authority or of the power of attorney before exercise of the power;

(4) a request for a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title is refused;

(5) the person in good faith believes that the power is not valid or that the agent does not have the authority to perform the act requested, whether or not a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title has been requested or provided; or

(6) the person makes, or has actual knowledge that another person has made, a report to the Adult Protective Services program or other appropriate entity within the Department of Disabilities, Aging, and Independent Living or to a law enforcement agency stating a good faith belief that the principal may be subject to physical or financial abuse, neglect, exploitation, or abandonment by the agent or a person acting for or with the agent.

~~(d)~~(c) A person who refuses in violation of this section to accept an acknowledged ~~statutory form~~ power of attorney is subject to:

(1) a court order mandating acceptance of the power of attorney; and

(2) liability for reasonable attorney's fees and costs incurred in any action or proceeding that confirms the validity of the power of attorney or mandates acceptance of the power of attorney.

Sec. 15. 14 V.S.A. § 4047 is amended to read:

§ 4047. GIFTS

* * *

(b) An agent may make a gift of the principal's property only as the agent determines is consistent with the principal's objectives if actually known by the agent or, if unknown, as the agent determines is consistent with the principal's best interests based on all relevant factors, including:

(1) evidence of the principal's intent;

(2) the principal's personal history of making or joining in the making of lifetime gifts;

(3) the principal's estate plan;

(4) the principal's foreseeable obligations and maintenance needs and the impact of the proposed gift on the principal's housing options, access to care and services, and general welfare;

(5) the income, gift, estate, or inheritance tax consequences of the transaction; and

(6) whether the proposed gift creates a foreseeable risk that the principal will be deprived of sufficient assets to cover the principal's needs during any period of Medicaid ineligibility that would result from the proposed gift.

~~(c) An agent may make a gift of the principal's property only as the agent determines is consistent with the principal's objectives if actually known by the agent and, if unknown, as the agent determines is consistent with the principal's best interests based on all relevant factors, including:~~

- ~~(1) the value and nature of the principal's property;~~
 - ~~(2) the principal's foreseeable obligations and need for maintenance;~~
 - ~~(3) minimization of taxes, including income, estate, inheritance, generation-skipping transfer, and gift taxes;~~
 - ~~(4) eligibility for a benefit, a program, or assistance under a statute or regulation; and~~
 - ~~(5) the principal's personal history of making or joining in making gifts.~~
- [Repealed.]

Sec. 16. 14 V.S.A. § 4051 is amended to read:

§ 4051. STATUTORY FORM POWER OF ATTORNEY

A document substantially in the following form may be used to create a statutory form power of attorney that has the meaning and effect prescribed by this chapter.

VERMONT STATUTORY FORM POWER OF ATTORNEY IMPORTANT INFORMATION

This power of attorney authorizes another person (your agent) to make decisions concerning your property for you (the principal). Your agent will be able to make decisions and act with respect to your property (including your money) whether or not you are able to act for yourself. The meaning of authority over subjects listed on this form is explained in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127.

This power of attorney does not authorize the agent to make health-care decisions for you.

You should select someone you trust to serve as your agent. Unless you specify otherwise, generally the agent's authority will continue until you die or revoke the power of attorney or the agent resigns or is unable to act for you. Your agent is entitled to reasonable compensation unless you state otherwise in the Special Instructions.

This form does not revoke powers of attorney previously executed by you unless you initial the introductory paragraph under DESIGNATION OF AGENT that all previous powers of attorney are revoked.

This form provides for designation of one agent. If you wish to name more than one agent, you may name a coagent in the Special Instructions. Coagents are not required to act together unless you include that requirement in the Special Instructions.

If your agent is unable or unwilling to act for you, your power of attorney will end unless you have named a successor agent. You may also name a second successor agent.

This power of attorney becomes effective immediately unless you state otherwise in the Special Instructions.

If you have questions about the power of attorney or the authority you are granting to your agent, you should seek legal advice before signing this form.

DESIGNATION OF AGENT

I _____ (Name of Principal) () revoke all previous powers of attorney and name the following person as my agent:

Name of Agent: _____

Agent's Address: _____

Agent's Telephone Number: _____

DESIGNATION OF SUCCESSOR AGENT(S) (OPTIONAL)

If my agent is unable or unwilling to act for me, I name as my successor agent:

Name of Successor Agent: _____

Successor Agent's Address: _____

Successor Agent's Telephone Number: _____

If my agent is unable or unwilling to act for me, I name as my second successor agent:

Name of Second Successor Agent: _____

Second Successor Agent's Address: _____

Second Successor Agent's Telephone Number: _____

GRANT OF GENERAL AUTHORITY

I grant my agent and any successor agent general authority to act for me with respect to the following subjects as defined in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127, together with the incidental powers enumerated in section 4033 of that chapter.

(~~INITIAL STRIKE THROUGH~~ each subject you DO NOT want to include in the agent's general authority. ~~If you wish to grant general authority over all of the subjects, you may initial "All Preceding Subjects" instead of initialing each subject.~~)

- Real Property
- Tangible Personal Property
- Stocks and Bonds
- Commodities and Options
- Banks and Other Financial Institutions
- Operation of Entity or Business
- Insurance and Annuities
- Estates, Trusts, and Other Beneficial Interests
- Claims and Litigation
- Personal and Family Maintenance
- Benefits from Governmental Programs or Civil or Military Service
- Retirement Plans
- Taxes
- ~~All Preceding Subjects~~

GRANT OF SPECIFIC AUTHORITY (OPTIONAL)

My agent MAY NOT do any of the following specific acts for me UNLESS I have INITIALED the specific authority listed below:

(CAUTION: Granting any of the following will give your agent the authority to take actions that could significantly reduce your property or change how your property is distributed at your death. INITIAL ONLY the specific authority you WANT to give your agent.)

() An agent who is not an ancestor, spouse, or descendant may exercise authority under this power of attorney to create in the agent or in an individual to whom the agent owes a legal obligation of support an interest in my

property whether by gift, rights of survivorship, beneficiary designation, disclaimer, or otherwise

Create, amend, revoke, or terminate an inter vivos, family, living, irrevocable, or revocable trust

Consent to the modification or termination of a noncharitable irrevocable trust under 14A V.S.A. § 411

Make a gift, subject to the limitations of 14 V.S.A. § 4047 (gifts) and any special instructions in this power of attorney

Consent to the modification or termination of a noncharitable irrevocable trust under 14A V.S.A. § 411

Create, amend, or change a beneficiary designation

Waive the principal's right to be a beneficiary of a joint and survivor annuity, including a survivor benefit under a retirement plan

Exercise fiduciary powers that the principal has authority to delegate

Authorize another person to exercise the authority granted under this power of attorney

Disclaim or refuse an interest in property, including a power of appointment

Exercise authority with respect to elective share under 14 V.S.A. § 319

Exercise waiver rights under 14 V.S.A. § 323

Exercise authority over the content and catalogue of electronic communications and digital assets under 14 V.S.A. chapter 125 (Vermont Revised Uniform Fiduciary Access to Digital Assets Act)

Exercise authority with respect to intellectual property, including, without limitation, copyrights, contracts for payment of royalties, and trademarks

Convey, or revoke or revise a grantee designation, by enhanced life estate deed pursuant to 27 V.S.A. chapter 6 of ~~Title 27~~ or under common law.

LIMITATION ON AGENT'S AUTHORITY

An agent who is not my ancestor, spouse, or descendant MAY NOT use my property to benefit the agent or a person to whom the agent owes an obligation of support unless I have included that authority in the Special Instructions.

WHEN POWER OF ATTORNEY EFFECTIVE

This power of attorney becomes effective when executed unless the principal has initialed one of the following:

() This power of attorney is effective only upon my later incapacity. OR

() This power of attorney is effective only upon my later incapacity or unavailability. OR

() I direct that this power of attorney shall become effective when one or more of the following occurs:

EFFECTIVE DATE

This power of attorney is effective immediately unless I have indicated or stated otherwise in the section above entitled When Power of Attorney Effective or in the section below entitled Special Instructions.

SPECIAL INSTRUCTIONS (OPTIONAL)

You may give special instructions on the following lines:

EFFECTIVE DATE

~~This power of attorney is effective immediately unless I have stated otherwise in the Special Instructions.~~

 NOMINATION OF GUARDIAN (OPTIONAL)

If it becomes necessary for a court to appoint a guardian of my estate or a guardian of my person, I nominate the following person(s) for appointment:

Name of Nominee for [conservator or guardian] of my estate: _____

Nominee's Address: _____

Nominee's Telephone Number: _____

Name of Nominee for guardian of my person:

Nominee's Address: _____

Nominee's Telephone Number: _____

RELIANCE ON THIS POWER OF ATTORNEY

Any person, including my agent, may rely upon the validity of this power of attorney or a copy of it unless that person knows it has terminated or is invalid. Unless expressly stated otherwise, this power of attorney is durable and shall remain valid if I become incapacitated or unavailable.

SIGNATURE AND ACKNOWLEDGMENT

Your Name Printed: _____

Your Address: _____

Your Telephone Number: _____

State of: _____

County of: _____

This document was acknowledged before me on: _____ (Date)

by _____ . (Name of Principal)

(Seal, if any): _____

Signature of Notary: _____

My commission expires: _____

IMPORTANT INFORMATION FOR AGENT

Agent's Duties

When you accept the authority granted under this power of attorney, a special legal relationship is created between you and the principal. This relationship imposes upon you legal duties that continue until you resign or the power of attorney is terminated or revoked. You must:

(1) do what you know the principal reasonably expects you to do with the principal's property or, if you do not know the principal's expectations, act in the principal's best interests;

(2) act in good faith;

(3) do nothing beyond the authority granted in this power of attorney;
and

(4) disclose your identity as an agent whenever you act for the principal by writing or printing the name of the principal and signing your own name as "agent" in the following manner: (Principal's Name) by (Your Signature) as Agent.

Unless the Special Instructions in this power of attorney state otherwise, you must also:

(1) act loyally for the principal's benefit;

(2) avoid conflicts that would impair your ability to act in the principal's best interest;

(3) act with care, competence, and diligence;

(4) keep a record of all receipts, disbursements, and transactions made on behalf of the principal;

(5) cooperate with any person that has authority to make health-care decisions for the principal to do what you know the principal reasonably expects or, if you do not know the principal's expectations, to act in the principal's best interests; and

(6) attempt to preserve the principal's estate plan if you know the plan and preserving the plan is consistent with the principal's best interests.

Termination of Agent's Authority

You must stop acting on behalf of the principal if you learn of any event that terminates this power of attorney or your authority under this power of attorney. Events that terminate a power of attorney or your authority to act under a power of attorney include:

(1) death of the principal;

(2) the principal's revocation of the power of attorney or your authority;

(3) the occurrence of a termination event stated in the power of attorney;

(4) the purpose of the power of attorney is fully accomplished; or

(5) if you are married to the principal, a legal action is filed with a court to end your marriage, or for your legal separation, unless the Special Instructions in this power of attorney state that such an action will not terminate your authority.

Liability of Agent

The meaning of the authority granted to you is defined in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127. If you violate the Vermont Uniform Power of Attorney Act, or act outside the authority granted, you may be liable for any damages caused by your violation. In addition to civil liability, failure to comply with your duties and authority granted under this document could subject you to criminal prosecution.

If there is anything about this document or your duties that you do not understand, you should seek legal advice.

Sec. 17. 14 V.S.A. § 4052 is amended to read:

§ 4052. STATUTORY SHORT FORM POWER OF ATTORNEY FOR REAL ESTATE TRANSACTIONS

(a) A document substantially in the following form may be used to create a statutory form power of attorney for a real estate transaction that has the meaning and effect prescribed by this chapter. Nothing in this section shall prohibit a principal from using this form to grant other powers to an agent with respect to real property consistent with section 4034 of this title.

VERMONT STATUTORY FORM POWER OF ATTORNEY IMPORTANT INFORMATION

This power of attorney authorizes another person (your agent) to take actions for you (the principal) in connection with a real estate transaction (sale, purchase, mortgage, ~~or gift,~~ or other authorized real estate transaction). Your agent will be able to make decisions and act with respect to a specific parcel of land whether or not you are able to act for yourself. The meaning of authority over subjects listed on this form is explained in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127.

DESIGNATION OF AGENT

I/we _____ and _____
(Name(s) of Principal) appoint the following person as my (our) agent:

Name of Agent: _____

Name of ~~Alternate~~ Successor Agent: _____

Address of Property that is the subject of this power of attorney

(Street): _____, (Municipality)
 _____, Vermont.

Transaction for which the power of attorney is given:

- Sale
 Purchase or Acquisition
 Mortgage
 Finance and/or Mortgage
 Gift
 Other _____

GRANT OF AUTHORITY

I/we grant my (our) agent and any alternate successor agent authority named in this power of attorney to act for me/us with respect to a real estate transaction involving the property with the address stated above, including, but not limited to, the powers described in 14 V.S.A. § 4034(2), (3), and (4) as provided in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127, together with the incidental powers enumerated in section 4033 of that chapter.

POWER TO DELEGATE

If this box is checked, each agent appointed in this power of attorney may delegate the authority to act to another person. Any delegation shall be in writing and executed in the same manner as this power of attorney.

TERM

This power of attorney commences when fully executed and continues until the real estate transaction for which it was given is complete.

SELF HEALING DEALING

If this box is checked, the agent named in this power of attorney may convey the subject real estate with or without consideration to the agent, individually, in trust, or to one or more persons with the agent.

CHOICE OF LAW

This power of attorney and the effect hereof shall be determined by the application of Vermont law and the Vermont Uniform Power of Attorney Act.

SIGNATURE AND ACKNOWLEDGMENT

Your Name Printed _____

Your Address _____

Your Telephone Number _____

State of _____

County of _____

This document was acknowledged before me on _____ (Date)

by _____

(Name of Principal)

(Seal, if any)

Signature of Notary _____

My Commission expires: _____

(b) A power of attorney in the form above confers on the agent the powers provided in subdivisions 4034(2), (3), and (4) of this chapter.

Sec. 18. 27 V.S.A. § 305 is amended to read:

§ 305. CONVEYANCES EFFECTED THROUGH POWER OF ATTORNEY

(a) A deed or other conveyance of lands or of an estate or interest therein, made by virtue of a power of attorney, shall not be of any effect or admissible in evidence unless the power of attorney is signed, ~~witnessed by one or more witnesses,~~ acknowledged, and recorded in the office where the deed is required to be recorded.

* * *

Sec. 19. 27 V.S.A. § 657 is amended to read:

§ 657. EXECUTION BY GUARDIAN; USE OF POWER OF ATTORNEY

(a) With the approval of the Probate Division, a guardian may convey the real property of a person under guardianship by an ELE deed.

(b) An ELE deed may be executed by an agent under a power of attorney if the power of attorney complies with the ~~requirements of 14 V.S.A. chapter 123 following,~~ including any applicable gifting and self-dealing provisions:

(1) 14 V.S.A. chapter 123, if the ELE deed was executed before July 1, 2023; or

(2) 14 V.S.A. chapter 127, if the ELE deed was executed on or after July 1, 2023.

Sec. 20. 15 V.S.A. § 558 is amended to read:

§ 558. WOMAN SPOUSE ALLOWED TO TAKE MAIDEN PRIOR NAME

Upon granting a divorce ~~to a woman~~, unless good cause is shown to the contrary, the court ~~may~~ shall allow ~~her~~ a spouse to resume ~~her maiden~~ the spouse's prior name or the name of a former ~~husband~~ spouse.

Sec. 21. 15 V.S.A. § 788 is amended to read:

§ 788. PARENT'S RESPONSIBILITY

(a) Any parent subject to a child support or parental rights and responsibilities order shall notify in writing the court ~~which~~ that issued the most recent order and the Office of Child Support of ~~his or her~~ the parent's current mailing address and current residence address and of any change in either address within seven business days ~~of~~ after the change, until all obligations to pay support or support arrearages, or to provide for parental rights and responsibilities are satisfied. For good cause, the court may keep information provided under this subsection confidential.

(b) When a wage withholding order is in effect, either parent shall notify in writing the registry of the name and address of a new employer within seven days ~~of~~ after commencing new employment. If the Registry has received information that a parent has changed employment, it shall notify the other parent of the fact of the change but shall not disclose the identity or the location of the employer. On request of a parent, the Registry shall provide information on the other parent's wages.

(c)(1) In all cases in which a temporary or final order for relief from abuse has been entered, information provided under this section shall be kept confidential by the court. The court, for good cause shown, may release such information.

(2) For purposes of this subsection, good cause shall be deemed established when:

(A) a party to the relief from the abuse order consents to the release of the party's own information, in which case the court may release that party's information; or

(B) the temporary or final order for relief from abuse is no longer in effect.

Sec. 22. 23 V.S.A. § 203 is amended to read:

§ 203. COUNTERFEITING, FRAUD, AND MISUSE; PENALTY

(a) A person shall not:

* * *

(2) display or cause or permit to be displayed, or have in ~~his or her~~ the person's possession, any fictitious or fraudulently altered operator's license, learner's permit, nondriver identification card, inspection sticker, registration certificate, or in-transit registration permit, or display for any fraudulent purpose an expired or counterfeit insurance identification card or similar document;

* * *

(b)(1) Except as provided in subdivision (2) of this subsection, a violation of subsection (a) of this section shall be a traffic violation for which there shall be a penalty of not more than \$1,000.00. If a person is found to have committed the violation, the person's privilege to operate motor vehicles shall be suspended for 60 days.

(2)(A) If a person may be charged with a violation of subdivision (a)(2) of this section or with a violation of 7 V.S.A. § 656, the person shall be charged with a violation of 7 V.S.A. § 656 and not with a violation of this section.

(B) If a person may be charged with a violation of subdivision (a)(2) of this section or with a violation of 7 V.S.A. § 1005, the person shall be charged with a violation of 7 V.S.A. § 1005 and not with a violation of this section.

Sec. 23. 27 V.S.A. § 349 is amended to read:

§ 349. CONVEYANCE TO GRANTOR AND OTHERS

(a)(1) Without an intervening conveyance, a person may convey interests in real estate directly:

(1)(A) to ~~himself or herself~~ themselves in a different legal capacity; or

(2)(B) to ~~his or her~~ the person's spouse; or

(3)(C) to ~~himself or herself~~ themselves and one or more other persons, including ~~his or her~~ the person's spouse.

(2) A person shall not convey an interest in a tenancy by the entirety or in homestead property to any person except ~~his or her~~ the person's spouse, unless the spouse joins in the conveyance.

(b) A conveyance made pursuant to this section shall be effective to convey such title as would be conveyed by the deed if the grantor were not also a grantee.

Sec. 24. 27 V.S.A. § 378 is amended to read:

§ 378. EFFECT OF RECORDING UNACKNOWLEDGED DEED

A person interested in a deed or lease not acknowledged may cause the deed or lease to be recorded without acknowledgment before or during the application to the court or the proceedings before any of the authorities named in sections ~~371-376~~ 371-375 of this title; and, when so recorded in the proper office, it shall be as effectual as though the same had been duly acknowledged and recorded for 60 days thereafter. If such proceedings for proving the execution of the deed are pending at the expiration of such 60 days, the effect of such record shall continue until the expiration of six business days after the termination of the proceedings.

Sec. 25. 27 V.S.A. § 1302 is amended to read:

§ 1302. DEFINITIONS

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

* * *

(7) “Common expenses” include:

(A) all sums lawfully assessed against the apartment or site owners by the association of owners;

(B) expenses of administration, maintenance, repair, or replacement of the common areas and facilities;

(C) expenses agreed upon as common expenses by the association of owners; and

(D) expenses declared common expenses by this chapter, or by the declaration or the bylaws.

* * *

Sec. 26. 27 V.S.A. § 1470(a) is amended to read:

(a) ~~It~~ As used in this section, “Death Master File” means the U.S. Social Security Administration Death Master File or other database or service that is at least as comprehensive as the U.S. Social Security Administration Death Master File for determining that an individual reportedly has died.

Sec. 27. 27 V.S.A. § 1531(b) is amended to read:

(b) Before selling property under subsection (a) of this section, the Administrator shall give notice to the public of:

- (1) the date of the sale; and
- (2) a reasonable description of the property.

Sec. 28. 27 V.S.A. § 1533(b) is amended to read:

(b) Replacement of the security or calculation of market value under subsection (a) of this section must take into account a stock split, reverse stock split, stock dividend, or similar corporate action.

Sec. 29. 27 V.S.A. § 1552(c) is amended to read:

(c) The Administrator shall decide a claim under this section not later than 90 days after it is presented. If the Administrator determines that the other state is entitled under subsection (a) of this section to custody of the property, the Administrator shall allow the claim and pay or deliver the property to the other state.

Sec. 30. 27 V.S.A. § 1595(a) is amended to read:

(a) If a holder enters into a contract or other arrangement for the purpose of evading an obligation under this chapter or otherwise willfully fails to perform a duty imposed on the holder under this chapter, the Administrator may require the holder to pay the Administrator, in addition to interest as provided in subsection 1594(a) of this title, a civil penalty of \$1,000.00 for each day the obligation is evaded or the duty is not performed, up to a cumulative maximum amount of \$25,000.00, plus 25 percent of the amount or value of property that should have been but was not reported, paid, or delivered as a result of the evasion or failure to perform.

Sec. 31. REPEAL

27 V.S.A. chapter 7, subchapter 4 (congregational churches) is repealed.

Sec. 32. CONSTRUCTION OF ACT; PROPERTY INTERESTS NOT AFFECTED

Sec. 31 of this act repeals 27 V.S.A. chapter 7, subchapter 4 for the purpose of removing the statutory duties and procedures governing the transfer of property by congregational churches. This act shall not be construed to affect a religious corporation's rights or property interest in congregational church property. This act shall not supersede any act of the General Assembly that vested specific rights or interests in, or established specific procedures for the transfer of property by, a chartered religious corporation.

Sec. 33. 28 V.S.A. § 126 is amended to read:

§ 126. COORDINATED JUSTICE REFORM ADVISORY COUNCIL

* * *

(c) Powers and duties. The Coordinated Justice Reform Advisory Council shall:

* * *

(5) on or before September 1, 2023 and annually thereafter, recommend to the Commissioner of Corrections ~~the~~ a new appropriate allocation of not more than \$900,000.00 from the Justice Reinvestment II line item of the Department of Corrections' budget for the ~~upcoming~~ next fiscal year to support community-based programs and services, related data collection and analysis capacity, and other initiatives in accordance with subsection (a) of this section.

* * *

(e) Reports. On or before November 15, 2023 and annually thereafter, the Coordinated Justice Reform Advisory Council shall submit recommendations pursuant to subdivisions (c)(4) and (c)(5) of this section to the Joint Legislative Justice Oversight Committee; the Senate Committees on Appropriations and on Judiciary; and the House Committees on Appropriations, on Corrections and Institutions, and on Judiciary. Any recommendations submitted pursuant to subdivision (c)(4) shall be in the form of proposed legislation. The Council shall include in its reports the efforts it has made to consult with the organizations listed in subdivision (c)(3) of this section.

* * *

Sec. 34. 28 V.S.A. § 102 is amended to read:

§ 102. COMMISSIONER OF CORRECTIONS; APPOINTMENT;
POWERS; RESPONSIBILITIES

* * *

(c) The Commissioner is charged with the following responsibilities:

* * *

(23) To include the Coordinated Justice Reform Advisory Council's appropriation recommendations made pursuant to subdivision 126(c)(5) of this title in the Department's annual proposed budget for the next subsequent fiscal year for the purposes of developing the State budget required to be submitted to the General Assembly in accordance with 32 V.S.A. § 306.

Sec. 35. 29 V.S.A. § 561 is added to read:

§ 561. RELEASE OF OIL AND GAS LEASES

(a) After the expiration, cancellation, surrender, or relinquishment of an oil and gas lease, upon written request of the lessor, the lessee shall file a release or discharge of the lease in the land records of the town or towns where the lands described in the lease are located. The filing shall be in recordable form and shall include any fees.

(b) If any lessee, or the lessee's personal representative, successor, or assign, fails or refuses to record a release for a period of 30 days after being so requested, the lessee shall be liable for all damages occasioned thereby, including costs and reasonable attorney's fees.

(c) A lessor's request for release or discharge shall be in writing and delivered to the lessee by personal service or registered mail at the lessee's last known address.

Sec. 36. 29 V.S.A. § 563 is added to read:

§ 563. ABANDONMENT OF OIL AND GAS INTERESTS;
PRESERVATION

(a) An abandoned interest in oil and gas shall revert to and merge with the surface estate from which it was severed.

(b) An interest in oil and gas is deemed abandoned at any time that:

(1) it has been unused for a continuous period of 10 years after July 1, 1973; and

(2) no statement of interest under subsection (e) of this section has been filed at any time within the preceding five years.

(c) The provisions of subsection (b) of this section shall not apply to any interest in oil or gas that has been retained by the owner who originally severed the mineral estate from the surface estate, notwithstanding that other interests in the land, including ownership of the surface, may have been sold, leased, mortgaged, or otherwise transferred.

(d) This section applies to all interests in oil and gas. It also applies to interests in other minerals if created inclusively in the same instrument that expressly creates an oil and gas interest. It does not apply to mineral interests that do not expressly include an oil and gas interest or were intended to be separate from an oil and gas interest.

(e) An interest in oil and gas is deemed used at any time in which:

(1) there is actual production of oil or gas, including production from lands covered by a lease to which an oil and gas interest is subject, or from lands pooled or unitized with such lands;

(2) oil and gas operations are conducted under the terms of the instrument creating the oil and gas interest;

(3) payment is made of rental or royalties for the purpose of delaying the use or continuing the use of the oil and gas interest;

(4) payment of taxes is made on the oil and gas interest; or

(5) there exists a currently valid permit under 10 V.S.A. chapter 151 or a currently valid drilling permit under this chapter for development of the oil and gas interest.

(f) The owner of an interest in oil or gas may file a statement of interest in the land records of any municipality in which the land affected is located. The statement shall include a description of the land affected, the nature of the interest claimed, the book and page of recording of the original grant of the interest, and the name and address of the person claiming the interest.

(g) The owner of the surface estate from which an oil and gas interest was severed may give notice of abandonment under this subsection. Notice shall contain the name of the record owner of the interest; a description of the land and the nature of the interest; the book and page of filing of the interest, if it is filed; the name and address of the person giving notice; and a statement that the interest is presumed abandoned. The notice shall be published in a newspaper of general circulation in the town or towns where the land affected is located. If the address of the owner of the oil and gas interest is shown on record, a copy of the notice shall be mailed to that address by certified or registered mail within 10 days after the date of publication.

(h) A copy of the notice under subsection (g) of this section, and an affidavit, may be filed in the land records of the municipality in which the land is located. The affidavit shall state that the oil or gas interest has been abandoned under the criteria set forth in subsection (b) of this section, and that notice of abandonment has been given under the criteria set forth in subsection (g). After the notice and affidavit have been filed, unless a court finds to the contrary, the oil and gas interest shall be presumed abandoned, and the interest of the surface owner shall be presumed for all purposes free of encumbrance from that interest.

Sec. 37. 2022 Acts and Resolves No. 165, Secs. 8–10 are amended to read:

Sec. 8. [Deleted.]

Sec. 9. [Deleted.]

Sec. 10. [Deleted.]

Sec. 38. 2022 Acts and Resolves No. 165, Sec. 11(d) is amended to read:

~~(d) Sees. 8–10 (repeal of authority to use gun suppressors while hunting) shall take effect on July 1, 2024. [Deleted.]~~

Sec. 39. REPEAL OF DEPARTMENT OF CORRECTIONS PILOT PROJECT

Sec. 2 of 2021 Acts and Resolves No. 14 (Department of Corrections pilot project requiring report to court prior to sentencing a defendant to a term of probation for a felony) is repealed.

Sec. 40. 20 V.S.A. § 4626 is added to read:

§ 4626. DRONES; OPERATION OVER PRIVATE PROPERTY WITHOUT CONSENT OF OWNER; CIVIL PENALTY

(a) A person shall not fly a drone for hobby or recreational purposes at an altitude of less than 100 feet above privately owned real property unless the person has obtained prior written consent from the property owner.

(b) A person shall not, without the prior written consent of the property owner or occupant, use a drone to record an image of privately owned real property or of the owner or occupant of the property with the intent to conduct surveillance on the person or the property in violation of the person's reasonable expectation of privacy. For purposes of this subsection, a person is presumed to have a reasonable expectation of privacy on the person's privately owned real property if the person is not observable by another person located at ground level in a place where the other person has a legal right to be, regardless of whether the person is observable from the air using a drone.

(c) A person engaged in the business of selling drones shall provide written notice to each purchaser of a drone required to be registered by the U.S. Department of Transportation about the requirements under subsections (a) and (b) of this section for flying a drone above privately owned real property without the property owner's prior written consent.

(d) A person who violates this section shall be assessed a civil penalty of not more than:

(1) \$50.00 for a first violation; or

(2) \$250.00 for a second or subsequent violation.

(e) As used in this section:

(1) “Property owner” means a person who owns, leases, licenses, or otherwise controls ownership or use of land, or an employee or agent of that person.

(2) “Surveillance” means:

(A) with respect to an owner or occupant of privately owned real property, the observation of the person with sufficient visual clarity to be able to obtain information about the person’s identity, habits, conduct, movements, or whereabouts; or

(B) with respect to privately owned real property, the observation of the property’s physical improvements with sufficient visual clarity to be able to determine unique identifying features about the property or information about its owners or occupants.

(f) This section shall not apply to the use of drones by:

(1) distribution or transmission utilities or their contractors for purposes of ensuring system reliability and resiliency; or

(2) a law enforcement officer for legitimate law enforcement purposes.

Sec. 41. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

* * *

(b) The Judicial Bureau shall have jurisdiction of the following matters:

* * *

(33) Violations of 20 V.S.A. § 4626, relating to flying, and providing information about flying, a drone above privately owned real property without the owner’s consent.

* * *

Sec. 42. [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(e) or an attempt to commit that offense.~~

(b)(1) The State's Attorney of the county where the juvenile petition is pending may move in the Family Division of the Superior Court for an order transferring jurisdiction under subsection (a) of this section at any time prior to adjudication on the merits. The filing of the motion to transfer jurisdiction shall automatically stay the time for the hearing provided for in section 5225 of this title, which stay shall remain in effect until such time as the Family Division of the Superior Court may deny the motion to transfer jurisdiction.

(2)(A)(i) The Family Division of the Superior Court shall hold a hearing under subsection (c) of this section to determine whether jurisdiction should be

transferred to the Criminal Division under subsection (a) of this section if the delinquent act set forth in the petition is:

(I) ~~a felony violation of 18 V.S.A. chapter 84 for selling or trafficking a regulated drug [Repealed.];~~

(II) human trafficking or aggravated human trafficking in violation of 13 V.S.A. § 2652 or 2653;

(III) defacing a firearm's serial number in violation of 13 V.S.A. § 4024; or

(IV) straw purchasing of firearm in violation of 13 V.S.A. § 4025; and

(ii) the child had attained 16 years of age but not 19 years of age at the time the act was alleged to have occurred.

* * *

* * * Raise the Age * * *

Sec. 3. 2018 Acts and Resolves No. 201, Secs. 17–19, are amended to read:

Sec. 17. [Deleted.]

Sec. 18. [Deleted.]

Sec. 19. [Deleted.]

Sec. 4. 2018 Acts and Resolves No. 201, Sec. 21, as amended by 2022 Acts and Resolves No. 160, Sec. 1, and 2023 Acts and Resolves No. 23, Sec. 12, is further amended to read:

Sec. 21. EFFECTIVE DATES

* * *

~~(d) Secs. 17–19 shall take effect on July 1, 2024. [Deleted.]~~

Sec. 5. 2020 Acts and Resolves No. 124, Secs. 3 and 7 are amended to read:

Sec. 3. [Deleted.]

Sec. 7. [Deleted.]

Sec. 6. 2020 Acts and Resolves No. 124, Sec. 12, as amended by 2022 Acts and Resolves No. 160, Sec. 2, and 2023 Acts and Resolves No. 23, Sec. 13, is further amended to read:

Sec. 12. EFFECTIVE DATES

~~(a) Secs. 3 (33 V.S.A. § 5103(e)) and 7 (33 V.S.A. § 5206) shall take effect on July 1, 2024. [Deleted.]~~

* * *

Sec. 7. 33 V.S.A. § 5201(d) is amended to read:

(d) Any proceeding concerning a child who is alleged to have committed any offense other than those specified in subsection 5204(a) of this title or subdivision (c)(2) or (3) of this section before attaining ~~19~~ 20 years of age shall originate in the Family Division of the Superior Court, provided that jurisdiction may be transferred in accordance with this chapter.

Sec. 8. 33 V.S.A. § 5203 is amended to read:

§ 5203. TRANSFER FROM OTHER COURTS

(a) If it appears to a Criminal Division of the Superior Court that the defendant was under ~~19~~ 20 years of age at the time the offense charged was alleged to have been committed and the offense charged is an offense not specified in subsection 5204(a) or subdivision 5201(c)(2) or (3) of this title, that court shall forthwith transfer the proceeding to the Family Division of the Superior Court under the authority of this chapter, and the minor shall then be considered to be subject to this chapter as a child charged with a delinquent act.

* * *

(c) If it appears to the State's Attorney that the defendant was under ~~19~~ 20 years of age at the time the felony offense charged was alleged to have been committed and the felony charged is not an offense specified in subsection 5204(a) or subdivision 5201(c)(2) or (3) of this title, the State's Attorney shall file charges in the Family Division of the Superior Court, pursuant to section 5201 of this title. The Family Division may transfer the proceeding to the Criminal Division pursuant to section 5204 of this title.

* * *

Sec. 9. 33 V.S.A. § 5204 is amended to read:

§ 5204. TRANSFER FROM FAMILY DIVISION OF THE SUPERIOR COURT

(a) After a petition has been filed alleging delinquency, upon motion of the State's Attorney and after hearing, the Family Division of the Superior Court may transfer jurisdiction of the proceeding to the Criminal Division of the Superior Court if the child had attained 16 years of age but not ~~19~~ 20 years of age at the time the act was alleged to have occurred and the delinquent act set forth in the petition is a felony not specified in subdivisions (1)–(11) of this subsection or if the child had attained 12 years of age but not 14 years of age

at the time the act was alleged to have occurred, and if the delinquent act set forth in the petition was any of the following:

* * *

Sec. 10. 33 V.S.A. § 5103(c) is amended to read:

(c)(1) Except as otherwise provided by this title and by subdivision (2) of this subsection, jurisdiction over a child shall not be extended beyond the child's 18th birthday.

(2)(A) Jurisdiction over a child with a delinquency may be extended until six months beyond the child's:

(i) 19th birthday if the child was 16 or 17 years of age when ~~he or she~~ the child committed the offense; or

(ii) 20th birthday if the child was 18 years of age when ~~he or she~~ the child committed the offense; or

(iii) 21st birthday if the child was 19 years of age when the child committed the offense.

* * *

Sec. 11. 33 V.S.A. § 5206 is amended to read:

§ 5206. CITATION OF ~~16- TO 18-YEAR-OLDS~~ 19-YEAR-OLDS

(a)(1) If a child was over 16 years of age and under ~~19~~ 20 years of age at the time the offense was alleged to have been committed and the offense is not specified in subsection (b) of this section, law enforcement shall cite the child to the Family Division of the Superior Court.

* * *

Sec. 12. BIMONTHLY PROGRESS REPORTS TO JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE

(a) On or before the last day of every other month from July 2024 through March 2025, the Agency of Human Services shall report to the Joint Legislative Justice Oversight Committee, the Senate and House Committees on Judiciary, the House Committee on Corrections and Institutions, the House Committee on Human Services, and the Senate Committee on Health and Welfare on its progress toward implementing the requirement of Secs. 7–11 of this act that the Raise the Age initiative take effect on April 1, 2025. The progress reports required by this section shall describe progress toward implementation of the Raise the Age initiative, as measured by qualitative and quantitative data related to the following priorities:

- (1) establishing a secure residential facility;
- (2) expanding capacity for nonresidential treatment programs to provide community-based services;
- (3) ensuring that residential treatment programs are used appropriately and to their full potential;
- (4) expanding capacity for Balanced and Restorative Justice (BARJ) contracts;
- (5) expanding capacity for the provision of services to children with developmental disabilities;
- (6) establishing a stabilization program for children who are experiencing a mental health crisis;
- (7) enhancing long-term treatment for children;
- (8) programming to help children, particularly 18- and 19-year-olds, transition from youth to adulthood;
- (9) developing district-specific data and information on family services workforce development, including turnover, retention, and vacancy rates; times needed to fill open positions; training opportunities and needs; and instituting a positive culture for employees;
- (10) installation of a comprehensive child welfare information system; and
- (11) plans for and measures taken to secure funding for the goals listed in this section.

(b) Failure to meet one or more of the progress report elements listed in subsection (a) of this section shall not be a basis for extending the implementation of the Raise the Age initiative beyond April 1, 2025.

* * * Drug Crimes * * *

Sec. 13. 18 V.S.A. § 4201 is amended to read:

§ 4201. DEFINITIONS

* * *

(29) “Regulated drug” means:

- (A) a narcotic drug;
- (B) a depressant or stimulant drug, other than methamphetamine;
- (C) a hallucinogenic drug;

- (D) Ecstasy;
- (E) cannabis; or
- (F) methamphetamine; or
- (G) xylazine.

* * *

(48) “Fentanyl” means any quantity of fentanyl, including any compound, mixture, or preparation including salts, isomers, or salts of isomers containing fentanyl. “Fentanyl” also means fentanyl-related substances as defined in rules adopted by the Department of Health pursuant to section 4202 of this title.

(49) “Xylazine” means any compound, mixture, or preparation including salts, isomers, or salts of isomers containing N-(2,6-dimethylphenyl)-5,6-dihydro-4H-1,3-thiazin-2-amine.

Sec. 14. 18 V.S.A. § 4233a is amended to read:

§ 4233a. FENTANYL

(a) Selling or dispensing.

(1) A person knowingly and unlawfully dispensing fentanyl shall be imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling fentanyl shall be imprisoned not more than five years or fined not more than \$100,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing fentanyl in an amount consisting of four milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl shall be imprisoned not more than 10 years or fined not more than \$250,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing fentanyl in an amount consisting of 20 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl shall be imprisoned not more than 20 years or fined not more than \$1,000,000.00, or both.

(4) In lieu of a charge under this subsection, but in addition to any other penalties provided by law, a person knowingly and unlawfully selling or dispensing any regulated drug containing a detectable amount of fentanyl shall be imprisoned not more than five years or fined not more than \$250,000.00, or both.

(b) Trafficking. A person knowingly and unlawfully possessing fentanyl in an amount consisting of 70 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl with the intent to sell

or dispense the fentanyl shall be imprisoned not more than 30 years or fined not more than \$1,000,000.00, or both. There shall be a permissive inference that a person who possesses fentanyl in an amount of 70 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl intends to sell or dispense the fentanyl. The amount of possessed fentanyl under this subsection to sustain a charge of conspiracy under 13 V.S.A. § 1404 shall be not less than 70 milligrams in the aggregate.

(c) Transportation into the State. In addition to any other penalties provided by law, a person knowingly and unlawfully transporting more than 20 milligrams of fentanyl into Vermont with the intent to sell or dispense the fentanyl shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(d) As used in this section, “knowingly” means:

(1) the defendant had actual knowledge that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; or

(2) the defendant:

(A) was aware that there is a high probability that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; and

(B) took deliberate actions to avoid learning that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter.

Sec. 15. 18 V.S.A. § 4234 is amended to read:

§ 4234. DEPRESSANT, STIMULANT, AND NARCOTIC DRUGS

(a) Possession.

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

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

(2) A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, consisting of 100 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than five years or fined not more than \$25,000.00, or both.

(3) A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, consisting of 1,000 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(4) A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, consisting of 10,000 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 20 years or fined not more than \$500,000.00, or both.

(b) Selling or dispensing.

(1) A person knowingly and unlawfully dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, shall be imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling a depressant, stimulant, or narcotic drug, other than fentanyl, cocaine, or heroin, shall be imprisoned not more than five years or fined not more than \$25,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, consisting of 100 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, consisting of 1,000 times a benchmark unlawful dosage or its equivalent shall be imprisoned not more than 20 years or fined not more than \$500,000.00, or both.

(4) As used in this subsection, “knowingly” means:

(A) the defendant had actual knowledge that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; or

(B) the defendant:

(i) was aware that there is a high probability that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter; and

(ii) took deliberate actions to avoid learning that one or more preparations, compounds, mixtures, or substances contained the regulated drug identified in the applicable section of this chapter.

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

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

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

Sec. 16. 18 V.S.A. § 4233b is added to read:

§ 4233b. XYLAZINE

(a) No person shall dispense or sell xylazine except as provided in subsection (b) of this section.

(b) The following are permitted activities related to xylazine:

(1) dispensing or prescribing for, or administration to, a nonhuman species a drug containing xylazine approved by the Secretary of Health and Human Services pursuant to section 512 of the Federal Food, Drug, and Cosmetic Act as provided in 21 U.S.C. § 360b;

(2) dispensing or prescribing for, or administration to, a nonhuman species permissible pursuant to section 512(a)(4) of the Federal Food, Drug, and Cosmetic Act as provided in 21 U.S.C. § 360b(a)(4);

(3) manufacturing, distribution, or use of xylazine as an active pharmaceutical ingredient for manufacturing an animal drug approved under section 512 of the Federal Food, Drug, and Cosmetic Act as provided in 21 U.S.C. § 360b or issued an investigation use exemption pursuant to section 512(j);

(4) manufacturing, distribution, or use of a xylazine bulk chemical for pharmaceutical compounding by licensed pharmacists or veterinarians; and

(5) any other use approved or permissible under the Federal Food, Drug, and Cosmetic Act.

(c) A person knowingly and unlawfully dispensing xylazine shall be imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling xylazine shall be imprisoned not more than five years or fined not more than \$100,000.00, or both.

(d) As used in this section, “knowingly” means:

(1) the defendant had actual knowledge that one or more preparations, compounds, mixtures, or substances contained xylazine; or

(2) the defendant:

(A) was aware that there is a high probability that one or more preparations, compounds, mixtures, or substances contained xylazine; and

(B) took deliberate actions to avoid learning that one or more preparations, compounds, mixtures, or substances contained xylazine.

Sec. 17. 18 V.S.A. § 4250 is amended to read:

§ 4250. SELLING OR DISPENSING A REGULATED DRUG WITH
DEATH RESULTING

(a) If the death of a person results from the selling or dispensing of a regulated drug to the person in violation of this chapter, the person convicted of the violation shall be imprisoned not less than two years nor more than 20 years.

(b) This section shall apply only if the person's use of the regulated drug is the proximate cause of ~~his or her~~ the person's death. The fact that a dispensed or sold substance contains more than one regulated drug shall not be a defense under this section if the proximate cause of death is the use of the dispensed or sold substance containing more than one regulated drug.

(c)(1) Except as provided in subdivision (2) of this subsection, the two-year minimum term of imprisonment required by this section shall be served and may not be suspended, deferred, or served as a supervised sentence. The defendant shall not be eligible for probation, parole, furlough, or any other type of early release until the expiration of the two-year term of imprisonment.

(2) Notwithstanding subdivision (1) of this subsection, the court may impose a sentence that does not include a term of imprisonment or that includes a term of imprisonment of less than two years if the court makes findings on the record that the sentence will serve the interests of justice.

Sec. 17a. VERMONT SENTENCING COMMISSION; PERMISSIVE
INFERENCE

Not later than October 15, 2024, the Vermont Sentencing Commission shall make a recommendation to the General Assembly whether in 18 V.S.A. § 4250, selling or dispensing with death resulting, there should be a permissive inference that the proximate cause of death is the person's use of the regulated drug if the regulated drug contains fentanyl.

Sec. 18. 18 V.S.A. § 4252a is added to read:

§ 4252a. UNLAWFUL DRUG ACTIVITY IN A DWELLING; FLASH

CITATION

(a) Except for good cause shown, a person cited or arrested for dispensing or selling a regulated drug in violation of this chapter shall be arraigned on the next business day after the citation or arrest if the alleged illegal activity occurred at a dwelling where the person is not a legal tenant.

(b) Unless the person is held without bail for another offense, the State's Attorney may request conditions of release. The court may include as a condition of release that the person is prohibited from coming within a fixed distance of the dwelling.

Sec. 19. 18 V.S.A. § 4254(j) is added to read:

(j) To encourage persons to seek medical assistance for someone who is experiencing an overdose, the Department of Health, in partnership with entities that provide education, outreach, and services regarding substance use disorder, shall engage in continuous efforts to publicize the immunity protections provided in this section.

* * * Report * * *

Sec. 20. WORKING GROUP ON TRANSFERS OF JUVENILE

PROCEEDINGS FROM THE FAMILY DIVISION TO THE
CRIMINAL DIVISION

(a) On or before December 15, 2025, a joint report on options for creating an expedited process for transfers of juvenile proceedings from the Family Division of the Superior Court to the Criminal Division of the Superior Court shall be submitted to the House and Senate Committees on Judiciary by a working group composed of the following parties:

(1) the Chief Superior Judge or designee, who shall be chair of the working group;

(2) the Defender General or designee;

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

(4) the Commissioner for Children and Families or designee.

(b) The report required by this section may be in the form of proposed legislation and shall include recommendations on the following topics:

(1) the changes in law that would be necessary if the Vermont juvenile justice system were restructured so that all cases alleging criminal violations by youths under 19 years of age started in the Family Division of the Superior Court, including alleged violations of 33 V.S.A. §§ 5204(a) and 5201(c)(2) or (3);

(2) whether cases alleging criminal violations by youths under 20 years of age should also begin in the Family Division; and

(3) statutory options for creating an expedited court process for more serious offenses that would permit transfer of proceedings from the Family Division of the Superior Court to the Criminal Division of the Superior Court without requiring the full transfer hearing process of 33 V.S.A. § 5204, including the offenses and offender age ranges that would qualify for the expedited process.

* * * Effective Dates * * *

Sec. 21. EFFECTIVE DATES

(a) Secs. 1–6, 12–20, and this section shall take effect on July 1, 2024.

(b) Secs. 7–11 shall take effect on April 1, 2025.

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

Dolan of Essex Junction
Dolan of Waitsfield

McFaun of Barre Town
Mihaly of Calais

Anthony of Barre City	Donahue of Northfield	Minier of South Burlington
Arrison of Weathersfield	Duke of Burlington	Morgan of Milton
Arsenault of Williston	Durfee of Shaftsbury	Morrissey of Bennington
Austin of Colchester	Elder of Starksboro	Nicoll of Ludlow
Bartholomew of Hartland	Emmons of Springfield	Notte of Rutland City
Bartley of Fairfax	Farlice-Rubio of Barnet	Noyes of Wolcott
Beck of St. Johnsbury	Galfetti of Barre Town	Nugent of South Burlington
Berbeco of Winooski	Garofano of Essex	Ode of Burlington
Birong of Vergennes	Goldman of Rockingham	Oliver of Sheldon
Black of Essex	Goslant of Northfield	Page of Newport City
Bluemle of Burlington	Graning of Jericho	Pajala of Londonderry
Bongartz of Manchester	Gregoire of Fairfield	Patt of Worcester
Boyden of Cambridge	Hango of Berkshire	Peterson of Clarendon
Brady of Williston	Harrison of Chittenden	Pouech of Hinesburg
Branagan of Georgia	Higley of Lowell	Priestley of Bradford
Brennan of Colchester	Holcombe of Norwich	Quimby of Lyndon
Brown of Richmond	Hooper of Randolph	Rice of Dorset
Brumsted of Shelburne	Hooper of Burlington	Roberts of Halifax
Burditt of West Rutland	Houghton of Essex Junction	Satcowitz of Randolph
Burke of Brattleboro	Howard of Rutland City	Scheu of Middlebury
Buss of Woodstock	Hyman of South Burlington	Shaw of Pittsford
Campbell of St. Johnsbury	James of Manchester	Sheldon of Middlebury
Canfield of Fair Haven	Jerome of Brandon	Sibilia of Dover
Carpenter of Hyde Park	Krasnow of South Burlington	Sims of Craftsbury
Carroll of Bennington	LaBounty of Lyndon	Smith of Derby
Casey of Montpelier	Lalley of Shelburne	Squirrell of Underhill
Chapin of East Montpelier	LaLonde of South Burlington	Stebbins of Burlington
Chase of Chester	Lanpher of Vergennes	Stevens of Waterbury
Chase of Colchester	Laroche of Franklin	Stone of Burlington
Christie of Hartford	Lipsky of Stowe	Taylor of Milton
Clifford of Rutland City	Long of Newfane	Taylor of Colchester
Coffey of Guilford	Maguire of Rutland City	Toleno of Brattleboro
Cole of Hartford	Marcotte of Coventry	Toof of St. Albans Town
Conlon of Cornwall	Masland of Thetford	Torre of Moretown
Corcoran of Bennington	Mattos of Milton	Waters Evans of Charlotte
Cordes of Lincoln	McCann of Montpelier	White of Bethel
Demar of Enosburgh	McCarthy of St. Albans City	Whitman of Bennington
Demrow of Corinth	McCoy of Poultney	Williams of Barre City
Dickinson of St. Albans Town		Williams of Granby
Dodge of Essex		Wood of Waterbury

Those who voted in the negative are:

Bos-Lun of Westminster	Headrick of Burlington	Rachelson of Burlington *
Burrows of West Windsor	LaMont of Morristown *	Sammis of Castleton *
Chesnut-Tangerman of Middletown Springs	Leavitt of Grand Isle	Small of Winooski *
Cina of Burlington *	Logan of Burlington	Surprenant of Barnard
	McGill of Bridport	Troiano of Stannard

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

Brownell of Pownal	Morris of Springfield	Pearl of Danville
Graham of Williamstown	Mrowicki of Putney	Templeman of Brownington
Kornheiser of Brattleboro	O'Brien of Tunbridge	Walker of Swanton
Labor of Morgan	Parsons of Newbury	

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(II) (statutory purpose; sales tax exemption for advanced wood boilers) shall be repealed on July 1, ~~2024~~ 2027.

Sec. 12b. REPEAL

2023 Acts and Resolves No. 72, Sec. 8 (sales tax exemption; advanced wood boilers) is repealed.

Sec. 13. 32 V.S.A. § 9701(12) is amended to read:

(12)(A) “Casual sale” means an isolated or occasional sale of an item of tangible personal property by a person who is not regularly engaged in the business of making sales of that general type of property at retail where the property was obtained by the person making the sale, through purchase or otherwise, for ~~his or her~~ the person’s own use.

(B) Aircraft as defined in 5 V.S.A. § 202(6), snowmobiles as defined in 23 V.S.A. § 3201(5), all-terrain vehicles as defined in 23 V.S.A. § 3501(1), motorboats as defined in 23 V.S.A. § ~~3302(4)~~ 3302(6), and vessels as defined in 23 V.S.A. § ~~3302(11)~~ 3302(17) that are 16 feet or more in length are hereby specifically excluded from the definition of casual sale.

Sec. 14. 32 V.S.A. § 9746 is amended to read:

§ 9746. SNOWMOBILE, ALL-TERRAIN VEHICLE, MOTORBOAT, AND VESSEL SALES

(a) If a person sells a snowmobile, all-terrain vehicle, motorboat, or vessel and within three months purchases another such vehicle or vessel, “sales price” for purposes of the tax on the new vehicle or vessel shall exclude the lesser of:

(1) the sale price of the first vehicle or vessel; or

(2) the average book value at the time of sale of the first vehicle or vessel.

(b) If a person receives payment under a contract of insurance for:

(1) total destruction of a snowmobile, all-terrain vehicle, motorboat, or vessel; or

(2) damage to such vehicle or vessel that was then accepted without repair as a trade-in by the seller of a new snowmobile, all-terrain vehicle, motorboat, or vessel; and within three months of following such destruction or damage the person purchases another snowmobile, motorboat, or vessel, "sales price" for purposes of the tax on the new vehicle or vessel shall exclude the insurance payment and any trade-in allowance for the damaged vehicle.

(c) A vendor determining sales price under this section shall obtain in good faith from the purchaser, on a form provided by the Department of Taxes and signed by the purchaser and bearing ~~his or her~~ the purchaser's name and address, a certificate of sale or payment of insurance proceeds with regard to the first vehicle or vessel.

Sec. 14a. REPORT; ATV REGISTRATIONS

On or before December 15, 2025, the Commissioner of Motor Vehicles shall report on any changes to the number of all-terrain vehicle (ATV) registrations in calendar year 2025, any changes to revenue from ATV registrations in Vermont, any changes to funding to support the VASA trail system, and whether the Commissioner has suggestions for restoring revenue from ATV registrations. The Commissioner shall consult with the Vermont ATV Sportsman's Association in preparing this report. The report shall be submitted to the House Committee on Ways and Means, the House Committee on Transportation, the Senate Committee on Finance, and the Senate Committee on Transportation.

* * * Fees * * *

Sec. 15. 18 V.S.A. § 5017 is amended to read:

§ 5017. FEES FOR COPIES

(a) For a certified copy of a vital event certificate, the fee shall be \$10.00.

(b) The State Registrar shall waive the fee for certified copies of vital event certificates issued to:

(1) an individual attesting to a lack of fixed, regular, and adequate nighttime residence; and

(2) an individual between 18 and 24 years of age who resided in a foster home or residential child care facility between 16 and 18 years of age pursuant to placement by a child-placing agency.

* * * Machinery and Equipment Tax Credit * * *

Sec. 16. 32 V.S.A. § 5930ll is amended to read:

§ 5930ll. MACHINERY AND EQUIPMENT TAX CREDIT

* * *

(d) Availability of credit.

(1) The credit earned under this section with respect to qualified capital expenditures shall be available to reduce the qualified taxpayer's Vermont income tax liability for its tax year beginning on or after January 1, 2012 or, if later, the first tax year within which the qualified taxpayer's aggregate qualified capital expenditures exceed \$20,000,000.00. A taxpayer claiming a credit under this subchapter shall submit with the first return on which a credit is claimed a copy of the qualified taxpayer's certification from the Vermont Economic Progress Council.

(2) The credit may be used in the year earned or carried forward to reduce the qualified taxpayer's Vermont income tax liability in succeeding tax years ending on or before December 31, ~~2026~~ 2030.

* * *

(g) Reporting.

(1) Any qualified taxpayer who has been certified under subsection (b) of this section shall file a report with the Vermont Economic Progress Council on a form prescribed by the Council for this purpose and provide a copy of the report to the Commissioner of Taxes.

(2) The report shall be filed for each year following the certification until the year following the last year the taxpayer claims the credit to reduce its Vermont income tax liability, or ~~2027~~ 2031, whichever occurs first.

(3) The report shall be filed by ~~February 28~~ the due date of the taxpayer's tax return, including extensions, in each year for activity the previous calendar year and include, at a minimum:

(A) the number of full-time jobs in each quarter and the average number of hours worked per week;

(B) the level of qualifying capital investments made if reporting on a year within an investment period; and

(C) the amount of tax credit earned and applied during the previous calendar year.

Sec. 17. 2010 Acts and Resolves No. 156, Sec. H.2 is amended to read:

Sec. H.2 REPEAL

(a) Subchapter 11M of chapter 151 of Title 32 is repealed July 1, 2026 ~~2030~~, and no credit under that section shall be available for any taxable year beginning after June 30, 2026 ~~2030~~; ~~provided, however, that if no qualified capital expenditures are made during the investment period, both terms as defined in 32 V.S.A. § 593011(a) of this act, the subchapter shall be repealed effective January 1, 2015.~~

Sec. 18. [Deleted.]

Sec. 19. [Deleted.]

* * * 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	<u>\$21,747,000.00</u>
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Total Appropriation – Section 3	\$18,000,000.00	<u>\$23,547,000.00</u>
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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	<u>\$700,000.00</u>
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* * *

Appropriation – FY 2024		\$596,000.00
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Appropriation – FY 2025	\$596,000.00	<u>\$796,000.00</u>
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Total Appropriation – Section 4	\$1,192,000.00	<u>\$1,392,000.00</u>
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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	<u>\$275,000.00</u>
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* * *

(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	<u>\$2,114,000.00</u>
--	----------------	-----------------------

* * *

Appropriation – FY 2024	\$6,997,081.00	<u>\$6,772,081.00</u>
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Appropriation – FY 2025	\$7,497,051.00	<u>\$8,266,901.00</u>
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Total Appropriation – Section 9	\$14,494,132.00	<u>\$15,038,982.00</u>
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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 Management Committee on December 15, 2023 and excluding any improvements that would impact committee rooms.

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

(b)(1) A Special Committee to be called the Special Committee on State House Improvements consisting of the Joint Legislative Management

Committee and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions is established.

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

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

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

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

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

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

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

(4) whether any potential alternatives are available.

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

* * * Corrections * * *

Sec. 29. 2023 Acts and Resolves No. 69, Sec. 28 is amended to read:

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

(a) Site location proposal.

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

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

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

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

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

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

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

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

* * *

(c) As used in this section, “reentry facility” means a facility that:

(1) is for incarcerated individuals preparing to transition back into the community following release;

(2) provides the lowest level of security;

(3) has a flexible design that is distinct from other existing secure correctional facilities;

(4) provides the individuals housed in the facility with continual access to services and supports, including counseling and treatment; and

(5) is designed in a flexible manner to support programs like work release and day-reporting.

Sec. 30. REPLACEMENT WOMEN’S REENTRY AND CORRECTIONAL FACILITIES; AUTHORITY TO PURCHASE LAND; INTENT; REPORT

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

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

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

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

(b) Reports. Beginning in July 2024 and ending in January 2025, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, shall report at least once per calendar quarter to the House Committee on Corrections and Institutions and the Senate Committee on Institutions regarding the progress in identifying State-owned property and, if necessary, purchasing property on which to locate the replacement facilities for justice-involved women.

(c) As used in this section, “reentry facility” means a facility that:

(1) is for incarcerated individuals preparing to transition back into the community following release;

(2) provides the lowest level of security;

(3) has a flexible design that is distinct from other existing secure correctional facilities;

(4) provides the individuals housed in the facility with continual access to services and supports, including counseling and treatment; and

(5) is designed in a flexible manner to support programs like work release and day-reporting.

Sec. 31. POTENTIAL REUSE OF CHITTENDEN REGIONAL
CORRECTIONAL FACILITY SITE; FEASIBILITY; REPORT

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

(b) The report shall:

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

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

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

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

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

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

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

(B) existing or potential future public transit services.

(c) As used in this section, “reentry facility” means a facility that:

(1) is for incarcerated individuals preparing to transition back into the community following release;

(2) provides the lowest level of security;

(3) has a flexible design that is distinct from other existing secure correctional facilities;

(4) provides the individuals housed in the facility with continual access to services and supports, including counseling and treatment; and

(5) is designed in a flexible manner to support programs like work release and day-reporting.

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

Sec. 32. REENTRY SERVICES; NEW CORRECTIONAL FACILITIES; PROGRAMMING; RECOMMENDATIONS

On or before November 15, 2024, the Department of Corrections, in consultation with the Department of Buildings and General Services, shall submit recommendations to the Senate Committee on Judiciary and the House Committee on Corrections and Institutions detailing the following:

(1) an examination of the Department of Corrections’ reentry and transitional services with the objective to transition and implement modern

strategies and facilities to assist individuals involved with the criminal justice system to obtain housing, vocational and job opportunities, and other services to successfully reintegrate into society;

(2) the recommended size of a new women's correctional facility, including the scope and quality of programming and services housed in the facility and any therapeutic, educational, and other specialty design features necessary to support the programming and services offered in the facility; and

(3) whether it is advisable to construct a new men's reentry facility on the same campus as the women's correctional facility or at another location.

* * * Judiciary * * *

Sec. 33. BARRE; WASHINGTON COUNTY SUPERIOR COURTHOUSE;
LAND ACQUISITION; AUTHORIZATION; COMMUNICATION
WITH CITY

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

(b) The Commissioner shall:

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

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

Sec. 34. WHITE RIVER JUNCTION; WINDSOR COUNTY SUPERIOR
COURTHOUSE; TEMPORARY RELOCATION OF EMPLOYEES

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

* * * Effective Date * * *

Sec. 35. EFFECTIVE DATE

This act shall take effect on passage.

RUSSELL H. INGALLS

WENDY K. HARRISON

BRIAN P. COLLAMORE

Committee on the part of the Senate

ALICE M. EMMONS

CONOR CASEY

TROY HEADRICK

Committee on the part of the House

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:

~~(1) 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~~

~~(H) 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	Demrow of Corinth *	McGill of Bridport
Andriano of Orwell	Dodge of Essex	Mihaly of Calais
Anthony of Barre City	Dolan of Essex Junction	Minier of South Burlington
Arrison of Weathersfield	Dolan of Waitsfield	Nicoll of Ludlow
Arsenault of Williston	Duke of Burlington	Notte of Rutland City
Austin of Colchester	Durfee of Shaftsbury	Nugent of South Burlington
Bartholomew of Hartland	Emmons of Springfield	Ode of Burlington
Berbeco of Winooski	Farlice-Rubio of Barnet	Patt of Worcester
Birong of Vergennes	Garofano of Essex	Pouech of Hinesburg
Black of Essex	Goldman of Rockingham	Priestley of Bradford
Bluemle of Burlington	Graning of Jericho *	Rachelson of Burlington
Bongartz of Manchester	Headrick of Burlington	Rice of Dorset
Bos-Lun of Westminster	Holcombe of Norwich	Roberts of Halifax
Brady of Williston	Hooper of Burlington	Satcowitz of Randolph
Brown of Richmond	Houghton of Essex Junction	Scheu of Middlebury *
Brumsted of Shelburne	Howard of Rutland City	Sheldon of Middlebury
Burke of Brattleboro	Hyman of South Burlington	Sibilia of Dover
Burrows of West Windsor	James of Manchester	Squirrell of Underhill
Buss of Woodstock	Jerome of Brandon	Stebbins of Burlington
Campbell of St. Johnsbury	Kornheiser of Brattleboro	Stevens of Waterbury
Carroll of Bennington	Krasnow of South Burlington	Stone of Burlington *
Casey of Montpelier	Lalley of Shelburne	Surprenant of Barnard
Chapin of East Montpelier		Taylor of Colchester

Chase of Chester	LaLonde of South	Toleno of Brattleboro
Chase of Colchester	Burlington	Torre of Moretown
Chesnut-Tangerman of Middletown Springs	Lanpher of Vergennes	Troiano of Stannard
Christie of Hartford	Leavitt of Grand Isle	Waters Evans of Charlotte
Cina of Burlington	Logan of Burlington	White of Bethel
Coffey of Guilford	Long of Newfane	Whitman of Bennington
Cole of Hartford	Masland of Thetford	Williams of Barre City
Conlon of Cornwall	McCann of Montpelier	Wood of Waterbury
Cordes of Lincoln	McCarthy of St. Albans City	

Those who voted in the negative are:

Bartley of Fairfax	Gregoire of Fairfield	Noyes of Wolcott
Beck of St. Johnsbury	Hango of Berkshire	Oliver of Sheldon
Boyden of Cambridge	Harrison of Chittenden	Page of Newport City
Branagan of Georgia	Higley of Lowell	Pajala of Londonderry
Brennan of Colchester	Hooper of Randolph	Peterson of Clarendon
Burditt of West Rutland	LaBounty of Lyndon	Quimby of Lyndon
Canfield of Fair Haven	Laroche of Franklin	Sammis of Castleton *
Clifford of Rutland City	Lipsky of Stowe	Shaw of Pittsford
Corcoran of Bennington	Maguire of Rutland City	Sims of Craftsbury
Demar of Enosburgh	Marcotte of Coventry	Small of Winooski
Dickinson of St. Albans Town	Mattos of Milton	Smith of Derby
Donahue of Northfield	McCoy of Poultney *	Taylor of Milton
Galfetti of Barre Town	McFaun of Barre Town	Templeman of Brownington
Goslant of Northfield	Morgan of Milton	Toof of St. Albans Town
	Morrissey of Bennington	Williams of Granby *

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

Brownell of Pownal	Labor of Morgan	O'Brien of Tunbridge
Carpenter of Hyde Park	LaMont of Morristown	Parsons of Newbury
Elder of Starksboro	Morris of Springfield	Pearl of Danville
Graham of Williamstown	Mrowicki of Putney	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 necessitate 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 professional²²,” 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.

Twelfth: By striking out Sec. 78, transfers; property transfer tax, in its entirety and inserting in lieu thereof the following:

Sec. 78. TRANSFERS; PROPERTY TRANSFER TAX

Notwithstanding 10 V.S.A. § 312, 24 V.S.A. § 4306(a), 32 V.S.A. § 9610(c), or any other provision of law to the contrary, amounts in excess of \$32,954,775.00 from the property transfer tax shall be transferred into the General Fund. Of this amount:

(1) \$6,106,335.00 shall be transferred from the General Fund into the Vermont Housing and Conservation Trust Fund.

(2) \$1,279,740.00 shall be transferred from the General Fund into the Municipal and Regional Planning Fund.

Thirteenth: By striking out Sec. 83a, 32 V.S.A. § 9603, in its entirety and inserting in lieu thereof the following:

Sec. 83a. 32 V.S.A. § 9603 is amended to read:

§ 9603. EXEMPTIONS

The following transfers are exempt from the tax imposed by this chapter:

* * *

(27)(A) Transfers of abandoned dwellings that the transferee certifies will be rehabilitated for occupancy as principal residences and not as short-term rentals as defined under 18 V.S.A. § 4301(a)(14), provided the rehabilitation is completed and occupied not later than three years after the date of the transfer. If three years after the date of transfer the rehabilitation has not been completed and occupied, then the tax imposed by this chapter shall become due.

(B) As used in this subdivision (27):

(i) “Abandoned” means real estate owned by a municipality and acquired through condemnation or a tax sale, provided the real estate has substandard structural or housing conditions, including unsanitary and unsafe

dwelling 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 ~~aforsaid~~ 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~~ that would permit their substitution for, or a corresponding reduction in, federal funds ~~which that~~ 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).

~~(H)~~(III) “Mental health professional” means a person with professional training, experience, and demonstrated competence in the treatment and diagnosis of mental conditions, who is certified or licensed to provide mental health care services and for whom diagnoses of mental conditions are within ~~his or her~~ the person’s scope of practice, including a physician, nurse with recognized psychiatric specialties, psychologist, clinical social worker, mental health counselor, or alcohol or drug abuse counselor.

~~(H)~~(IV) “Police officer” means a law enforcement officer who has been certified by the Vermont Criminal Justice Council pursuant to 20 V.S.A. chapter 151.

(IV)(V) “Rescue or ambulance worker” means ambulance service, emergency medical personnel, first responder service, and volunteer personnel as defined in 24 V.S.A. § 2651.

(VI) “State employees” means:

(aa) facility employees of the Department of Corrections;

(bb) employees of the Department of Corrections who provide direct security or treatment services to offenders under supervision in the community;

(cc) classified employees of State-operated therapeutic community residences or inpatient psychiatric hospital units;

(dd) classified employees of public safety answering points;

(ee) classified employees of the Family Services Division of the Department for Children and Families;

(ff) classified employees of the Vermont Veterans’ Home;

(gg) classified employees of the Department of State’s Attorneys and Sheriffs, State’s Attorneys, and employees of the Department of State’s Attorneys and Sheriffs who are assigned to a State’s Attorney’s field office; and

(hh) classified employees in the Criminal Division of the Attorney General’s Office.

* * *

Sec. 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).

~~(H)~~(III) “Mental health professional” means a person with professional training, experience, and demonstrated competence in the treatment and diagnosis of mental conditions, who is certified or licensed to provide mental health care services and for whom diagnoses of mental conditions are within his or her the person’s scope of practice, including a physician, nurse with recognized psychiatric specialties, psychologist, clinical social worker, mental health counselor, or alcohol or drug abuse counselor.

~~(HH)~~(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.

~~(HV)~~(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:

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

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

* * * Fiscal Year 2025 Base Appropriations * * *

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

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

Sec. B.101 Secretary of administration - finance

Personal services	1,414,180
Operating expenses	<u>160,916</u>
Total	1,575,096

Source of funds	
Interdepartmental transfers	1,575,096
Total	<u>1,575,096</u>
Sec. B.102 Secretary of administration - workers' compensation insurance	
Personal services	894,261
Operating expenses	<u>90,822</u>
Total	985,083
Source of funds	
Internal service funds	<u>985,083</u>
Total	985,083
Sec. B.103 Secretary of administration - general liability insurance	
Personal services	567,817
Operating expenses	<u>59,472</u>
Total	627,289
Source of funds	
Internal service funds	<u>627,289</u>
Total	627,289
Sec. B.104 Secretary of administration - all other insurance	
Personal services	275,025
Operating expenses	<u>48,667</u>
Total	323,692
Source of funds	
Internal service funds	<u>323,692</u>
Total	323,692
Sec. B.105 Agency of digital services - communications and information technology	
Personal services	82,994,362
Operating expenses	<u>62,547,212</u>
Total	145,541,574
Source of funds	
General fund	209,808
Special funds	511,723
Internal service funds	<u>144,820,043</u>
Total	145,541,574
Sec. B.106 Finance and management - budget and management	
Personal services	1,526,943
Operating expenses	<u>332,906</u>
Total	1,859,849

Source of funds	
General fund	1,183,688
Internal service funds	666,328
Interdepartmental transfers	<u>9,833</u>
Total	1,859,849
Sec. B.107 Finance and management - financial operations	
Personal services	2,753,093
Operating expenses	<u>887,167</u>
Total	3,640,260
Source of funds	
Internal service funds	3,499,357
Interdepartmental transfers	<u>140,903</u>
Total	3,640,260
Sec. B.108 Human resources - operations	
Personal services	11,174,144
Operating expenses	<u>1,533,893</u>
Total	12,708,037
Source of funds	
General fund	1,835,968
Special funds	242,235
Internal service funds	10,105,741
Interdepartmental transfers	<u>524,093</u>
Total	12,708,037
Sec. B.108.1 Human resources - VTHR operations	
Personal services	2,001,756
Operating expenses	<u>897,472</u>
Total	2,899,228
Source of funds	
Internal service funds	<u>2,899,228</u>
Total	2,899,228
Sec. B.109 Human resources - employee benefits & wellness	
Personal services	1,219,976
Operating expenses	<u>656,818</u>
Total	1,876,794
Source of funds	
Internal service funds	<u>1,876,794</u>
Total	1,876,794

Sec. B.110 Libraries

Personal services	2,608,231
Operating expenses	987,312
Grants	<u>272,701</u>
Total	3,868,244

Source of funds

General fund	2,151,812
Special funds	130,971
Federal funds	1,467,374
Interdepartmental transfers	<u>118,087</u>
Total	3,868,244

Sec. B.111 Tax - administration/collection

Personal services	28,375,591
Operating expenses	<u>6,868,137</u>
Total	35,243,728

Source of funds

General fund	23,248,019
Special funds	11,880,709
Interdepartmental transfers	<u>115,000</u>
Total	35,243,728

Sec. B.112 Buildings and general services - administration

Personal services	1,070,354
Operating expenses	<u>229,587</u>
Total	1,299,941

Source of funds

Interdepartmental transfers	<u>1,299,941</u>
Total	1,299,941

Sec. B.113 Buildings and general services - engineering

Personal services	18,881
Operating expenses	<u>1,271,574</u>
Total	1,290,455

Source of funds

General fund	<u>1,290,455</u>
Total	1,290,455

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

Personal services	2,973,306
Operating expenses	<u>500,000</u>
Total	3,473,306

Source of funds	
General fund	2,973,306
Interdepartmental transfers	<u>500,000</u>
Total	3,473,306
Sec. B.114 Buildings and general services - information centers	
Personal services	3,585,324
Operating expenses	<u>1,919,853</u>
Total	5,505,177
Source of funds	
General fund	688,453
Transportation fund	4,292,149
Special funds	<u>524,575</u>
Total	5,505,177
Sec. B.115 Buildings and general services - purchasing	
Personal services	2,462,542
Operating expenses	<u>245,613</u>
Total	2,708,155
Source of funds	
General fund	1,568,464
Interdepartmental transfers	<u>1,139,691</u>
Total	2,708,155
Sec. B.116 Buildings and general services - postal services	
Personal services	826,840
Operating expenses	<u>177,446</u>
Total	1,004,286
Source of funds	
General fund	90,941
Internal service funds	<u>913,345</u>
Total	1,004,286
Sec. B.117 Buildings and general services - copy center	
Personal services	902,844
Operating expenses	<u>237,416</u>
Total	1,140,260
Source of funds	
Internal service funds	<u>1,140,260</u>
Total	1,140,260
Sec. B.118 Buildings and general services - fleet management services	
Personal services	915,232

Operating expenses	<u>251,755</u>
Total	1,166,987
Source of funds	
Internal service funds	<u>1,166,987</u>
Total	1,166,987
Sec. B.119 Buildings and general services - federal surplus property	
Operating expenses	<u>4,298</u>
Total	4,298
Source of funds	
Enterprise funds	<u>4,298</u>
Total	4,298
Sec. B.120 Buildings and general services - state surplus property	
Personal services	375,218
Operating expenses	<u>149,871</u>
Total	525,089
Source of funds	
Internal service funds	<u>525,089</u>
Total	525,089
Sec. B.121 Buildings and general services - property management	
Personal services	1,471,106
Operating expenses	<u>652,847</u>
Total	2,123,953
Source of funds	
Internal service funds	<u>2,123,953</u>
Total	2,123,953
Sec. B.122 Buildings and general services - fee for space	
Personal services	20,361,714
Operating expenses	<u>17,940,900</u>
Total	38,302,614
Source of funds	
Internal service funds	38,214,088
Interdepartmental transfers	<u>88,526</u>
Total	38,302,614
Sec. B.124 Executive office - governor's office	
Personal services	1,621,889
Operating expenses	<u>529,815</u>
Total	2,151,704

Source of funds	
General fund	1,896,299
Interdepartmental transfers	<u>255,405</u>
Total	2,151,704
Sec. B.125 Legislative counsel	
Personal services	3,906,667
Operating expenses	<u>291,399</u>
Total	4,198,066
Source of funds	
General fund	<u>4,198,066</u>
Total	4,198,066
Sec. B.126 Legislature	
Personal services	6,531,132
Operating expenses	<u>4,934,310</u>
Total	11,465,442
Source of funds	
General fund	<u>11,465,442</u>
Total	11,465,442
Sec. B.126.1 Legislative information technology	
Personal services	1,433,677
Operating expenses	<u>807,537</u>
Total	2,241,214
Source of funds	
General fund	<u>2,241,214</u>
Total	2,241,214
Sec. B.127 Joint fiscal committee	
Personal services	2,661,816
Operating expenses	<u>197,363</u>
Total	2,859,179
Source of funds	
General fund	<u>2,859,179</u>
Total	2,859,179
Sec. B.128 Sergeant at arms	
Personal services	1,501,807
Operating expenses	<u>161,697</u>
Total	1,663,504
Source of funds	
General fund	<u>1,663,504</u>

Total	1,663,504
Sec. B.129 Lieutenant governor	
Personal services	273,359
Operating expenses	<u>48,050</u>
Total	321,409
Source of funds	
General fund	<u>321,409</u>
Total	321,409
Sec. B.130 Auditor of accounts	
Personal services	4,397,652
Operating expenses	<u>140,540</u>
Total	4,538,192
Source of funds	
General fund	383,992
Special funds	53,145
Internal service funds	<u>4,101,055</u>
Total	4,538,192
Sec. B.131 State treasurer	
Personal services	6,021,504
Operating expenses	<u>305,404</u>
Total	6,326,908
Source of funds	
General fund	2,233,091
Special funds	3,783,849
Interdepartmental transfers	<u>309,968</u>
Total	6,326,908
Sec. B.132 State treasurer - unclaimed property	
Personal services	814,215
Operating expenses	<u>514,990</u>
Total	1,329,205
Source of funds	
Private purpose trust funds	<u>1,329,205</u>
Total	1,329,205
Sec. B.133 Vermont state retirement system	
Personal services	213,238
Operating expenses	<u>2,849,942</u>
Total	3,063,180

Source of funds	
Pension trust funds	<u>3,063,180</u>
Total	3,063,180
Sec. B.134 Municipal employees' retirement system	
Personal services	237,966
Operating expenses	<u>1,499,159</u>
Total	1,737,125
Source of funds	
Pension trust funds	<u>1,737,125</u>
Total	1,737,125
Sec. B.134.1 Vermont Pension Investment Commission	
Personal services	2,154,707
Operating expenses	<u>294,507</u>
Total	2,449,214
Source of funds	
Special funds	<u>2,449,214</u>
Total	2,449,214
Sec. B.135 State labor relations board	
Personal services	290,593
Operating expenses	<u>48,629</u>
Total	339,222
Source of funds	
General fund	329,646
Special funds	6,788
Interdepartmental transfers	<u>2,788</u>
Total	339,222
Sec. B.136 VOSHA review board	
Personal services	98,853
Operating expenses	<u>25,115</u>
Total	123,968
Source of funds	
General fund	72,964
Interdepartmental transfers	<u>51,004</u>
Total	123,968
Sec. B.136.1 Ethics Commission	
Personal services	171,374
Operating expenses	<u>38,979</u>
Total	210,353

Source of funds	
Internal service funds	<u>210,353</u>
Total	210,353
Sec. B.137 Homeowner rebate	
Grants	<u>19,100,000</u>
Total	19,100,000
Source of funds	
General fund	<u>19,100,000</u>
Total	19,100,000
Sec. B.138 Renter rebate	
Grants	<u>9,500,000</u>
Total	9,500,000
Source of funds	
General fund	<u>9,500,000</u>
Total	9,500,000
Sec. B.139 Tax department - reappraisal and listing payments	
Grants	<u>3,400,000</u>
Total	3,400,000
Source of funds	
General fund	<u>3,400,000</u>
Total	3,400,000
Sec. B.140 Municipal current use	
Grants	<u>20,050,000</u>
Total	20,050,000
Source of funds	
General fund	<u>20,050,000</u>
Total	20,050,000
Sec. B.142 Payments in lieu of taxes	
Grants	<u>12,050,000</u>
Total	12,050,000
Source of funds	
Special funds	<u>12,050,000</u>
Total	12,050,000
Sec. B.143 Payments in lieu of taxes - Montpelier	
Grants	<u>184,000</u>
Total	184,000

Source of funds	
Special funds	<u>184,000</u>
Total	184,000
Sec. B.144 Payments in lieu of taxes - correctional facilities	
Grants	<u>40,000</u>
Total	40,000
Source of funds	
Special funds	<u>40,000</u>
Total	40,000
Sec. B.145 Total general government	
Source of funds	
General fund	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	<u>1,329,205</u>
Total	382,870,889
Sec. B.200 Attorney general	
Personal services	14,435,517
Operating expenses	2,015,028
Grants	<u>20,000</u>
Total	16,470,545
Source of funds	
General fund	7,391,661
Special funds	2,355,424
Tobacco fund	422,000
Federal funds	1,743,215
Interdepartmental transfers	<u>4,558,245</u>
Total	16,470,545
Sec. B.201 Vermont court diversion	
Personal services	1,250
Grants	<u>3,526,258</u>
Total	3,527,508
Source of funds	
General fund	3,269,511

Special funds	<u>257,997</u>
Total	3,527,508
Sec. B.202 Defender general - public defense	
Personal services	17,745,612
Operating expenses	<u>1,393,866</u>
Total	19,139,478
Source of funds	
General fund	18,399,825
Special funds	589,653
Interdepartmental transfers	<u>150,000</u>
Total	19,139,478
Sec. B.203 Defender general - assigned counsel	
Personal services	7,654,274
Operating expenses	<u>49,500</u>
Total	7,703,774
Source of funds	
General fund	<u>7,703,774</u>
Total	7,703,774
Sec. B.204 Judiciary	
Personal services	58,439,095
Operating expenses	12,479,384
Grants	<u>121,030</u>
Total	71,039,509
Source of funds	
General fund	63,414,698
Special funds	4,503,401
Federal funds	953,928
Interdepartmental transfers	<u>2,167,482</u>
Total	71,039,509
Sec. B.205 State's attorneys	
Personal services	17,309,679
Operating expenses	<u>2,034,016</u>
Total	19,343,695
Source of funds	
General fund	18,734,634
Federal funds	31,000
Interdepartmental transfers	<u>578,061</u>
Total	19,343,695

Sec. B.206 Special investigative unit

Personal services	66,237
Operating expenses	24,295
Grants	<u>2,140,047</u>
Total	2,230,579
Source of funds	
General fund	<u>2,230,579</u>
Total	2,230,579

Sec. B.206.1 Crime Victims Advocates

Personal services	3,016,156
Operating expenses	<u>104,396</u>
Total	3,120,552
Source of funds	
General fund	<u>3,120,552</u>
Total	3,120,552

Sec. B.207 Sheriffs

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

Sec. B.208 Public safety - administration

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

Sec. B.209 Public safety - state police

Personal services	74,755,468
Operating expenses	15,992,094
Grants	<u>1,137,841</u>
Total	91,885,403

Source of funds	
General fund	57,891,409
Transportation fund	20,250,000
Special funds	3,170,328
Federal funds	8,967,252
Interdepartmental transfers	<u>1,606,414</u>
Total	91,885,403
Sec. B.210 Public safety - criminal justice services	
Personal services	5,387,100
Operating expenses	<u>2,152,467</u>
Total	7,539,567
Source of funds	
General fund	1,829,099
Special funds	4,975,847
Federal funds	<u>734,621</u>
Total	7,539,567
Sec. B.211 Public safety - emergency management	
Personal services	5,420,245
Operating expenses	1,326,624
Grants	<u>41,392,759</u>
Total	48,139,628
Source of funds	
General fund	940,339
Special funds	710,000
Federal funds	46,427,309
Interdepartmental transfers	<u>61,980</u>
Total	48,139,628
Sec. B.212 Public safety - fire safety	
Personal services	9,384,147
Operating expenses	3,412,948
Grants	<u>107,000</u>
Total	12,904,095
Source of funds	
General fund	1,586,884
Special funds	10,093,736
Federal funds	1,178,475
Interdepartmental transfers	<u>45,000</u>
Total	12,904,095

Sec. B.213 Public safety - Forensic Laboratory

Personal services	3,842,354
Operating expenses	<u>1,095,166</u>
Total	4,937,520
Source of funds	
General fund	3,768,566
Special funds	75,572
Federal funds	557,339
Interdepartmental transfers	<u>536,043</u>
Total	4,937,520

Sec. B.215 Military - administration

Personal services	1,056,147
Operating expenses	776,352
Grants	<u>1,319,834</u>
Total	3,152,333
Source of funds	
General fund	<u>3,152,333</u>
Total	3,152,333

Sec. B.216 Military - air service contract

Personal services	10,499,846
Operating expenses	<u>1,504,451</u>
Total	12,004,297
Source of funds	
General fund	775,259
Federal funds	<u>11,229,038</u>
Total	12,004,297

Sec. B.217 Military - army service contract

Personal services	45,473,792
Operating expenses	<u>8,181,836</u>
Total	53,655,628
Source of funds	
Federal funds	<u>53,655,628</u>
Total	53,655,628

Sec. B.218 Military - building maintenance

Personal services	827,320
Operating expenses	<u>1,008,123</u>
Total	1,835,443

Source of funds	
General fund	1,772,943
Special funds	<u>62,500</u>
Total	1,835,443
Sec. B.219 Military - veterans' affairs	
Personal services	1,211,819
Operating expenses	176,383
Grants	<u>28,500</u>
Total	1,416,702
Source of funds	
General fund	1,096,505
Special funds	209,092
Federal funds	<u>111,105</u>
Total	1,416,702
Sec. B.220 Center for crime victim services	
Personal services	2,061,261
Operating expenses	391,491
Grants	<u>9,908,464</u>
Total	12,361,216
Source of funds	
General fund	1,601,998
Special funds	4,015,490
Federal funds	<u>6,743,728</u>
Total	12,361,216
Sec. B.221 Criminal justice council	
Personal services	2,356,811
Operating expenses	<u>1,821,496</u>
Total	4,178,307
Source of funds	
General fund	3,835,126
Interdepartmental transfers	<u>343,181</u>
Total	4,178,307
Sec. B.222 Agriculture, food and markets - administration	
Personal services	3,057,449
Operating expenses	<u>346,294</u>
Total	3,403,743
Source of funds	
General fund	1,393,366
Special funds	1,432,323

Federal funds	<u>578,054</u>
Total	3,403,743
Sec. B.223 Agriculture, food and markets - food safety and consumer protection	
Personal services	5,235,644
Operating expenses	1,113,830
Grants	<u>2,780,000</u>
Total	9,129,474
Source of funds	
General fund	3,400,278
Special funds	4,020,618
Federal funds	1,696,578
Interdepartmental transfers	<u>12,000</u>
Total	9,129,474
Sec. B.224 Agriculture, food and markets - agricultural development	
Personal services	4,265,067
Operating expenses	734,947
Grants	<u>15,307,498</u>
Total	20,307,512
Source of funds	
General fund	3,077,928
Special funds	644,363
Federal funds	<u>16,585,221</u>
Total	20,307,512
Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship	
Personal services	2,712,147
Operating expenses	839,493
Grants	<u>212,000</u>
Total	3,763,640
Source of funds	
General fund	824,794
Special funds	2,242,158
Federal funds	343,452
Interdepartmental transfers	<u>353,236</u>
Total	3,763,640
Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab	
Personal services	1,822,983

Operating expenses	<u>1,438,533</u>
Total	3,261,516
Source of funds	
General fund	1,602,665
Special funds	1,591,189
Interdepartmental transfers	<u>67,662</u>
Total	3,261,516
Sec. B.225.2 Agriculture, Food and Markets - Clean Water	
Personal services	3,815,695
Operating expenses	745,519
Grants	<u>11,147,000</u>
Total	15,708,214
Source of funds	
General fund	1,817,135
Special funds	10,528,782
Federal funds	2,169,174
Interdepartmental transfers	<u>1,193,123</u>
Total	15,708,214
Sec. B.226 Financial regulation - administration	
Personal services	2,726,198
Operating expenses	159,635
Grants	<u>100,000</u>
Total	2,985,833
Source of funds	
Special funds	<u>2,985,833</u>
Total	2,985,833
Sec. B.227 Financial regulation - banking	
Personal services	2,400,645
Operating expenses	<u>473,873</u>
Total	2,874,518
Source of funds	
Special funds	<u>2,874,518</u>
Total	2,874,518
Sec. B.228 Financial regulation - insurance	
Personal services	5,028,218
Operating expenses	<u>556,622</u>
Total	5,584,840
Source of funds	
Special funds	<u>5,584,840</u>

Total	5,584,840
Sec. B.229 Financial regulation - captive insurance	
Personal services	5,723,322
Operating expenses	<u>652,707</u>
Total	6,376,029
Source of funds	
Special funds	<u>6,376,029</u>
Total	6,376,029
Sec. B.230 Financial regulation - securities	
Personal services	1,269,574
Operating expenses	<u>241,157</u>
Total	1,510,731
Source of funds	
Special funds	<u>1,510,731</u>
Total	1,510,731
Sec. B.232 Secretary of state	
Personal services	22,592,899
Operating expenses	4,345,999
Grants	<u>1,000,000</u>
Total	27,938,898
Source of funds	
General fund	1,000,000
Special funds	19,922,486
Federal funds	<u>7,016,412</u>
Total	27,938,898
Sec. B.233 Public service - regulation and energy	
Personal services	10,861,325
Operating expenses	1,405,907
Grants	<u>28,300</u>
Total	12,295,532
Source of funds	
Special funds	11,060,542
Federal funds	992,781
Interdepartmental transfers	225,423
Enterprise funds	<u>16,786</u>
Total	12,295,532
Sec. B.233.1 VT Community Broadband Board	
Personal services	1,609,379

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Operating expenses	269,690
Grants	<u>150,000</u>
Total	2,029,069
Source of funds	
Special funds	1,269,289
Federal funds	<u>759,780</u>
Total	2,029,069
Sec. B.234 Public utility commission	
Personal services	5,052,403
Operating expenses	<u>617,149</u>
Total	5,669,552
Source of funds	
Special funds	<u>5,669,552</u>
Total	5,669,552
Sec. B.235 Enhanced 9-1-1 Board	
Personal services	4,429,219
Operating expenses	<u>471,441</u>
Total	4,900,660
Source of funds	
Special funds	<u>4,900,660</u>
Total	4,900,660
Sec. B.236 Human rights commission	
Personal services	927,697
Operating expenses	<u>115,103</u>
Total	1,042,800
Source of funds	
General fund	953,800
Federal funds	<u>89,000</u>
Total	1,042,800
Sec. B.236.1 Liquor & Lottery Comm. Office	
Personal services	9,831,453
Operating expenses	<u>5,667,447</u>
Total	15,498,900
Source of funds	
Special funds	125,000
Tobacco fund	250,579
Interdepartmental transfers	70,000
Enterprise funds	<u>15,053,321</u>
Total	15,498,900

Sec. B.240 Cannabis Control Board

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

Sec. B.241 Total protection to persons and property

Source of funds	
General fund	228,238,448
Transportation fund	20,250,000
Special funds	119,824,272
Tobacco fund	672,579
Federal funds	162,959,452
Interdepartmental transfers	16,031,869
Enterprise funds	<u>15,070,107</u>
Total	563,046,727

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

Personal services	16,219,746
Operating expenses	7,220,486
Grants	<u>3,795,202</u>
Total	27,235,434
Source of funds	
General fund	12,913,202
Special funds	135,517
Federal funds	13,565,080
Interdepartmental transfers	<u>621,635</u>
Total	27,235,434

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

Grants	<u>2,039,512,911</u>
Total	2,039,512,911
Source of funds	
General fund	668,380,623
Special funds	32,047,905
Tobacco fund	21,049,373
State health care resources fund	28,053,557
Federal funds	1,285,494,243
Interdepartmental transfers	<u>4,487,210</u>
Total	2,039,512,911

 Sec. B.303 Developmental disabilities council

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

Sec. B.304 Human services board

Personal services	703,548
Operating expenses	<u>90,191</u>
Total	793,739
Source of funds	
General fund	486,165
Federal funds	<u>307,574</u>
Total	793,739

Sec. B.305 AHS - administrative fund

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

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

Personal services	134,929,148
Operating expenses	44,171,193
Grants	<u>3,112,301</u>
Total	182,212,642
Source of funds	
General fund	39,872,315
Special funds	4,733,015
Federal funds	128,790,580
Global Commitment fund	4,308,574
Interdepartmental transfers	<u>4,508,158</u>
Total	182,212,642

Sec. B.307 Department of Vermont health access - Medicaid program - global commitment	
Personal services	547,983
Grants	<u>899,550,794</u>
Total	900,098,777
Source of funds	
Global Commitment fund	<u>900,098,777</u>
Total	900,098,777
Sec. B.309 Department of Vermont health access - Medicaid program - state only	
Grants	<u>63,033,948</u>
Total	63,033,948
Source of funds	
General fund	62,151,546
Global Commitment fund	<u>882,402</u>
Total	63,033,948
Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched	
Grants	<u>34,994,888</u>
Total	34,994,888
Source of funds	
General fund	12,511,405
Federal funds	<u>22,483,483</u>
Total	34,994,888
Sec. B.311 Health - administration and support	
Personal services	8,373,168
Operating expenses	7,519,722
Grants	<u>7,985,727</u>
Total	23,878,617
Source of funds	
General fund	3,189,843
Special funds	2,308,186
Federal funds	11,040,433
Global Commitment fund	7,173,924
Interdepartmental transfers	<u>166,231</u>
Total	23,878,617
Sec. B.312 Health - public health	
Personal services	67,812,371

Operating expenses	11,025,497
Grants	<u>46,766,832</u>
Total	125,604,700
Source of funds	
General fund	12,908,892
Special funds	24,906,804
Tobacco fund	1,088,918
Federal funds	64,038,301
Global Commitment fund	17,036,150
Interdepartmental transfers	5,600,635
Permanent trust funds	<u>25,000</u>
Total	125,604,700
Sec. B.313 Health - substance use programs	
Personal services	6,570,967
Operating expenses	511,500
Grants	<u>58,215,510</u>
Total	65,297,977
Source of funds	
General fund	6,672,061
Special funds	2,413,678
Tobacco fund	949,917
Federal funds	15,456,754
Global Commitment fund	<u>39,805,567</u>
Total	65,297,977
Sec. B.314 Mental health - mental health	
Personal services	50,191,086
Operating expenses	5,517,999
Grants	<u>270,625,138</u>
Total	326,334,223
Source of funds	
General fund	25,555,311
Special funds	1,718,092
Federal funds	11,436,913
Global Commitment fund	287,609,767
Interdepartmental transfers	<u>14,140</u>
Total	326,334,223
Sec. B.316 Department for children and families - administration & support services	
Personal services	46,644,080

Operating expenses	17,560,755
Grants	<u>5,627,175</u>
Total	69,832,010
Source of funds	
General fund	39,722,724
Special funds	2,781,912
Federal funds	24,448,223
Global Commitment fund	2,417,024
Interdepartmental transfers	<u>462,127</u>
Total	69,832,010
Sec. B.317 Department for children and families - family services	
Personal services	45,197,694
Operating expenses	5,315,309
Grants	<u>98,251,027</u>
Total	148,764,030
Source of funds	
General fund	58,838,741
Special funds	729,587
Federal funds	34,666,196
Global Commitment fund	54,514,506
Interdepartmental transfers	<u>15,000</u>
Total	148,764,030
Sec. B.318 Department for children and families - child development	
Personal services	5,908,038
Operating expenses	813,321
Grants	<u>223,329,336</u>
Total	230,050,695
Source of funds	
General fund	76,723,518
Special funds	96,312,000
Federal funds	43,511,414
Global Commitment fund	<u>13,503,763</u>
Total	230,050,695
Sec. B.319 Department for children and families - office of child support	
Personal services	13,157,660
Operating expenses	<u>3,759,992</u>
Total	16,917,652
Source of funds	
General fund	5,200,064

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Special funds	455,719
Federal funds	10,874,269
Interdepartmental transfers	<u>387,600</u>
Total	16,917,652
Sec. B.320 Department for children and families - aid to aged, blind and disabled	
Personal services	2,252,206
Grants	<u>10,717,444</u>
Total	12,969,650
Source of funds	
General fund	7,376,133
Global Commitment fund	<u>5,593,517</u>
Total	12,969,650
Sec. B.321 Department for children and families - general assistance	
Personal services	15,000
Grants	<u>11,054,252</u>
Total	11,069,252
Source of funds	
General fund	10,811,345
Federal funds	11,320
Global Commitment fund	<u>246,587</u>
Total	11,069,252
Sec. B.322 Department for children and families - 3SquaresVT	
Grants	<u>44,377,812</u>
Total	44,377,812
Source of funds	
Federal funds	<u>44,377,812</u>
Total	44,377,812
Sec. B.323 Department for children and families - reach up	
Operating expenses	23,821
Grants	<u>37,230,488</u>
Total	37,254,309
Source of funds	
General fund	24,733,042
Special funds	5,970,229
Federal funds	2,806,330
Global Commitment fund	<u>3,744,708</u>
Total	37,254,309

Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP	
Grants	<u>16,019,953</u>
Total	16,019,953
Source of funds	
Special funds	1,480,395
Federal funds	<u>14,539,558</u>
Total	16,019,953
Sec. B.325 Department for children and families - office of economic opportunity	
Personal services	817,029
Operating expenses	100,407
Grants	<u>35,466,283</u>
Total	36,383,719
Source of funds	
General fund	28,178,010
Special funds	83,135
Federal funds	4,935,273
Global Commitment fund	<u>3,187,301</u>
Total	36,383,719
Sec. B.326 Department for children and families - OEO - weatherization assistance	
Personal services	465,709
Operating expenses	248,905
Grants	<u>15,147,885</u>
Total	15,862,499
Source of funds	
Special funds	7,697,546
Federal funds	<u>8,164,953</u>
Total	15,862,499
Sec. B.327 Department for Children and Families - Secure Residential Treatment	
Personal services	258,100
Operating expenses	42,225
Grants	<u>3,476,862</u>
Total	3,777,187
Source of funds	
General fund	3,747,187
Global Commitment fund	<u>30,000</u>

Total	3,777,187
Sec. B.328 Department for children and families - disability determination services	
Personal services	7,860,410
Operating expenses	<u>488,354</u>
Total	8,348,764
Source of funds	
General fund	124,172
Federal funds	<u>8,224,592</u>
Total	8,348,764
Sec. B.329 Disabilities, aging, and independent living - administration & support	
Personal services	45,217,977
Operating expenses	<u>6,472,558</u>
Total	51,690,535
Source of funds	
General fund	22,916,281
Special funds	1,390,457
Federal funds	26,063,097
Global Commitment fund	35,000
Interdepartmental transfers	<u>1,285,700</u>
Total	51,690,535
Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants	
Grants	<u>24,571,060</u>
Total	24,571,060
Source of funds	
General fund	8,392,303
Federal funds	7,321,114
Global Commitment fund	<u>8,857,643</u>
Total	24,571,060
Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired	
Grants	<u>1,907,604</u>
Total	1,907,604
Source of funds	
General fund	489,154
Special funds	223,450
Federal funds	890,000

Global Commitment fund	<u>305,000</u>
Total	1,907,604
Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation	
Grants	<u>10,179,845</u>
Total	10,179,845
Source of funds	
General fund	1,371,845
Federal funds	7,558,000
Interdepartmental transfers	<u>1,250,000</u>
Total	10,179,845
Sec. B.333 Disabilities, aging, and independent living - developmental services	
Grants	<u>329,299,344</u>
Total	329,299,344
Source of funds	
General fund	132,732
Special funds	15,463
Federal funds	403,573
Global Commitment fund	328,697,576
Interdepartmental transfers	<u>50,000</u>
Total	329,299,344
Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver	
Grants	<u>6,845,005</u>
Total	6,845,005
Source of funds	
Global Commitment fund	<u>6,845,005</u>
Total	6,845,005
Sec. B.334.1 Disabilities, aging and independent living - Long Term Care	
Grants	<u>293,584,545</u>
Total	293,584,545
Source of funds	
General fund	498,579
Federal funds	2,450,000
Global Commitment fund	<u>290,635,966</u>
Total	293,584,545
Sec. B.335 Corrections - administration	
Personal services	5,025,978

Operating expenses	<u>266,783</u>
Total	5,292,761
Source of funds	
General fund	<u>5,292,761</u>
Total	5,292,761
Sec. B.336 Corrections - parole board	
Personal services	475,099
Operating expenses	<u>59,692</u>
Total	534,791
Source of funds	
General fund	<u>534,791</u>
Total	534,791
Sec. B.337 Corrections - correctional education	
Personal services	3,979,310
Operating expenses	<u>252,649</u>
Total	4,231,959
Source of funds	
General fund	4,082,899
Federal funds	276
Interdepartmental transfers	<u>148,784</u>
Total	4,231,959
Sec. B.338 Corrections - correctional services	
Personal services	147,472,104
Operating expenses	<u>24,914,205</u>
Total	172,386,309
Source of funds	
General fund	162,807,888
Special funds	935,963
ARPA State Fiscal	5,000,000
Federal funds	499,888
Global Commitment fund	2,746,255
Interdepartmental transfers	<u>396,315</u>
Total	172,386,309
Sec. B.338.1 Corrections - Justice Reinvestment II	
Grants	<u>11,055,849</u>
Total	11,055,849
Source of funds	
General fund	8,478,161
Federal funds	13,147

Global Commitment fund	<u>2,564,541</u>
Total	11,055,849
Sec. B.339 Corrections - Correctional services-out of state beds	
Personal services	<u>4,130,378</u>
Total	4,130,378
Source of funds	
General fund	<u>4,130,378</u>
Total	4,130,378
Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	634,972
Operating expenses	<u>456,715</u>
Total	1,091,687
Source of funds	
Special funds	<u>1,091,687</u>
Total	1,091,687
Sec. B.341 Corrections - Vermont offender work program	
Personal services	324,103
Operating expenses	<u>166,750</u>
Total	490,853
Source of funds	
Internal service funds	<u>490,853</u>
Total	490,853
Sec. B.342 Vermont veterans' home - care and support services	
Personal services	17,631,222
Operating expenses	<u>5,013,462</u>
Total	22,644,684
Source of funds	
General fund	4,320,687
Special funds	10,051,903
Federal funds	<u>8,272,094</u>
Total	22,644,684
Sec. B.343 Commission on women	
Personal services	398,669
Operating expenses	<u>93,837</u>
Total	492,506
Source of funds	
General fund	487,998
Special funds	<u>4,508</u>

Total	492,506
Sec. B.344 Retired senior volunteer program	
Grants	<u>160,155</u>
Total	160,155
Source of funds	
General fund	<u>160,155</u>
Total	160,155
Sec. B.345 Green Mountain Care Board	
Personal services	8,396,809
Operating expenses	<u>398,601</u>
Total	8,795,410
Source of funds	
General fund	3,494,109
Special funds	<u>5,301,301</u>
Total	8,795,410
Sec. B.346 Office of the Child, Youth, and Family Advocate	
Personal services	342,966
Operating expenses	<u>88,820</u>
Total	431,786
Source of funds	
General fund	<u>431,786</u>
Total	431,786
Sec. B.347 Total human services	
Source of funds	
General fund	1,328,118,806
Special funds	202,800,452
Tobacco fund	23,088,208
State health care resources fund	28,053,557
ARPA State Fiscal	5,000,000
Federal funds	1,803,398,922
Global Commitment fund	1,980,839,553
Internal service funds	490,853
Interdepartmental transfers	32,893,535
Permanent trust funds	<u>25,000</u>
Total	5,404,708,886
Sec. B.400 Labor - programs	
Personal services	39,963,839
Operating expenses	5,708,836

Grants	<u>9,199,639</u>
Total	54,872,314
Source of funds	
General fund	10,916,365
Special funds	9,407,107
Federal funds	34,261,616
Interdepartmental transfers	<u>287,226</u>
Total	54,872,314
Sec. B.401 Total labor	
Source of funds	
General fund	10,916,365
Special funds	9,407,107
Federal funds	34,261,616
Interdepartmental transfers	<u>287,226</u>
Total	54,872,314
Sec. B.500 Education - finance and administration	
Personal services	22,086,664
Operating expenses	4,484,934
Grants	<u>14,770,700</u>
Total	41,342,298
Source of funds	
General fund	7,317,085
Special funds	16,618,543
Education fund	3,486,988
Federal funds	13,154,385
Global Commitment fund	260,000
Interdepartmental transfers	<u>505,297</u>
Total	41,342,298
Sec. B.501 Education - education services	
Personal services	28,237,700
Operating expenses	1,134,912
Grants	<u>322,345,763</u>
Total	351,718,375
Source of funds	
General fund	6,387,955
Special funds	3,033,144
Tobacco fund	750,388
Federal funds	340,584,414
Interdepartmental transfers	<u>962,474</u>

Total	351,718,375
Sec. B.502 Education - special education: formula grants	
Grants	<u>264,649,859</u>
Total	264,649,859
Source of funds	
Education fund	<u>264,649,859</u>
Total	264,649,859
Sec. B.503 Education - state-placed students	
Grants	<u>20,000,000</u>
Total	20,000,000
Source of funds	
Education fund	<u>20,000,000</u>
Total	20,000,000
Sec. B.504 Education - adult education and literacy	
Grants	<u>4,694,183</u>
Total	4,694,183
Source of funds	
General fund	3,778,133
Federal funds	<u>916,050</u>
Total	4,694,183
Sec. B.504.1 Education - Flexible Pathways	
Grants	<u>11,361,755</u>
Total	11,361,755
Source of funds	
General fund	921,500
Education fund	<u>10,440,255</u>
Total	11,361,755
Sec. B.505 Education - adjusted education payment	
Grants	<u>1,893,267,394</u>
Total	1,893,267,394
Source of funds	
Education fund	<u>1,893,267,394</u>
Total	1,893,267,394
Sec. B.506 Education - transportation	
Grants	<u>25,306,000</u>
Total	25,306,000

Source of funds	
Education fund	<u>25,306,000</u>
Total	25,306,000
Sec. B.507 Education - Merger Support Grants	
Grants	<u>1,800,000</u>
Total	1,800,000
Source of funds	
Education fund	<u>1,800,000</u>
Total	1,800,000
Sec. B.507.1 Education - EL Categorical Aid	
Grants	<u>2,250,000</u>
Total	2,250,000
Source of funds	
Education fund	<u>2,250,000</u>
Total	2,250,000
Sec. B.508 Education - nutrition	
Grants	<u>20,400,000</u>
Total	20,400,000
Source of funds	
Education fund	<u>20,400,000</u>
Total	20,400,000
Sec. B.509 Education - Afterschool Grant Program	
Personal services	500,000
Grants	<u>3,500,000</u>
Total	4,000,000
Source of funds	
Special funds	<u>4,000,000</u>
Total	4,000,000
Sec. B.510 Education - essential early education grant	
Grants	<u>8,725,587</u>
Total	8,725,587
Source of funds	
Education fund	<u>8,725,587</u>
Total	8,725,587
Sec. B.511 Education - technical education	
Grants	<u>17,881,950</u>
Total	17,881,950

Source of funds	
Education fund	<u>17,881,950</u>
Total	17,881,950
Sec. B.511.1 State Board of Education	
Personal services	54,208
Operating expenses	<u>16,500</u>
Total	70,708
Source of funds	
General fund	<u>70,708</u>
Total	70,708
Sec. B.513 Retired Teachers Pension Plus Funding	
Grants	<u>12,000,000</u>
Total	12,000,000
Source of funds	
General fund	<u>12,000,000</u>
Total	12,000,000
Sec. B.514 State teachers' retirement system	
Grants	<u>191,382,703</u>
Total	191,382,703
Source of funds	
General fund	155,384,035
Education fund	<u>35,998,668</u>
Total	191,382,703
Sec. B.514.1 State teachers' retirement system administration	
Personal services	349,979
Operating expenses	<u>3,222,801</u>
Total	3,572,780
Source of funds	
Pension trust funds	<u>3,572,780</u>
Total	3,572,780
Sec. B.515 Retired teachers' health care and medical benefits	
Grants	<u>62,107,644</u>
Total	62,107,644
Source of funds	
General fund	43,031,103
Education fund	<u>19,076,541</u>
Total	62,107,644

Sec. B.516 Total general education

Source of funds	
General fund	228,890,519
Special funds	23,651,687
Tobacco fund	750,388
Education fund	2,323,283,242
Federal funds	354,654,849
Global Commitment fund	260,000
Interdepartmental transfers	1,467,771
Pension trust funds	<u>3,572,780</u>
Total	2,936,531,236

Sec. B.600 University of Vermont

Grants	<u>55,706,897</u>
Total	55,706,897
Source of funds	
General fund	<u>55,706,897</u>
Total	55,706,897

Sec. B.602 Vermont state colleges

Grants	<u>50,940,478</u>
Total	50,940,478
Source of funds	
General fund	<u>50,940,478</u>
Total	50,940,478

Sec. B.603 Vermont state colleges - allied health

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

Sec. B.605 Vermont student assistance corporation

Grants	<u>26,139,946</u>
Total	26,139,946
Source of funds	
General fund	<u>26,139,946</u>
Total	26,139,946

 Sec. B.605.1 VSAC - Flexible Pathways Stipend

Grants	<u>82,450</u>
Total	82,450
Source of funds	
General fund	41,225
Education fund	<u>41,225</u>
Total	82,450

Sec. B.606 New England higher education compact

Grants	<u>86,520</u>
Total	86,520
Source of funds	
General fund	<u>86,520</u>
Total	86,520

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

Grants	<u>1</u>
Total	1
Source of funds	
General fund	<u>1</u>
Total	1

Sec. B.608 Total higher education

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

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

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

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

Operating expenses	<u>2,689,176</u>
Total	2,689,176

Source of funds	
General fund	2,267,676
Interdepartmental transfers	<u>421,500</u>
Total	2,689,176
Sec. B.702 Fish and wildlife - support and field services	
Personal services	22,597,844
Operating expenses	6,843,095
Grants	<u>853,066</u>
Total	30,294,005
Source of funds	
General fund	8,267,967
Special funds	365,427
Fish and wildlife fund	10,418,331
Federal funds	9,751,683
Interdepartmental transfers	<u>1,490,597</u>
Total	30,294,005
Sec. B.703 Forests, parks and recreation - administration	
Personal services	1,347,215
Operating expenses	<u>1,658,662</u>
Total	3,005,877
Source of funds	
General fund	2,867,366
Special funds	<u>138,511</u>
Total	3,005,877
Sec. B.704 Forests, parks and recreation - forestry	
Personal services	7,880,566
Operating expenses	1,005,046
Grants	<u>1,712,423</u>
Total	10,598,035
Source of funds	
General fund	6,299,512
Special funds	547,215
Federal funds	3,394,931
Interdepartmental transfers	<u>356,377</u>
Total	10,598,035
Sec. B.705 Forests, parks and recreation - state parks	
Personal services	13,641,062
Operating expenses	5,555,506
Grants	<u>50,000</u>

Total	19,246,568
Source of funds	
General fund	1,461,122
Special funds	<u>17,785,446</u>
Total	19,246,568
Sec. B.706 Forests, parks and recreation - lands administration and recreation	
Personal services	3,209,865
Operating expenses	7,721,058
Grants	<u>3,729,759</u>
Total	14,660,682
Source of funds	
General fund	1,179,068
Special funds	2,283,759
Federal funds	10,802,370
Interdepartmental transfers	<u>395,485</u>
Total	14,660,682
Sec. B.708 Forests, parks and recreation - forest and parks access roads	
Personal services	130,000
Operating expenses	<u>99,925</u>
Total	229,925
Source of funds	
General fund	<u>229,925</u>
Total	229,925
Sec. B.709 Environmental conservation - management and support services	
Personal services	9,202,579
Operating expenses	4,811,255
Grants	<u>122,735</u>
Total	14,136,569
Source of funds	
General fund	2,243,575
Special funds	794,867
Federal funds	2,164,711
Interdepartmental transfers	<u>8,933,416</u>
Total	14,136,569
Sec. B.710 Environmental conservation - air and waste management	
Personal services	27,995,328
Operating expenses	10,788,954
Grants	<u>4,943,000</u>
Total	43,727,282

Source of funds	
General fund	199,372
Special funds	24,643,580
Federal funds	18,800,064
Interdepartmental transfers	<u>84,266</u>
Total	43,727,282
Sec. B.711 Environmental conservation - office of water programs	
Personal services	50,153,806
Operating expenses	8,362,915
Grants	<u>92,365,140</u>
Total	150,881,861
Source of funds	
General fund	11,887,629
Special funds	30,967,150
Federal funds	107,154,542
Interdepartmental transfers	<u>872,540</u>
Total	150,881,861
Sec. B.713 Natural resources board	
Personal services	3,313,829
Operating expenses	<u>421,198</u>
Total	3,735,027
Source of funds	
General fund	760,232
Special funds	<u>2,974,795</u>
Total	3,735,027
Sec. B.714 Total natural resources	
Source of funds	
General fund	42,792,800
Special funds	81,275,829
Fish and wildlife fund	10,418,331
Federal funds	152,068,301
Interdepartmental transfers	<u>14,131,324</u>
Total	300,686,585
Sec. B.800 Commerce and community development - agency of commerce and community development - administration	
Personal services	2,368,443
Operating expenses	839,383
Grants	<u>389,320</u>
Total	3,597,146

Source of funds	
General fund	<u>3,597,146</u>
Total	3,597,146
Sec. B.801 Economic development	
Personal services	4,612,442
Operating expenses	1,215,603
Grants	<u>6,539,044</u>
Total	12,367,089
Source of funds	
General fund	5,701,138
Special funds	820,850
Federal funds	4,021,428
Interdepartmental transfers	<u>1,823,673</u>
Total	12,367,089
Sec. B.802 Housing and community development	
Personal services	7,645,042
Operating expenses	910,983
Grants	<u>23,978,656</u>
Total	32,534,681
Source of funds	
General fund	5,365,841
Special funds	8,702,439
Federal funds	14,615,349
Interdepartmental transfers	<u>3,851,052</u>
Total	32,534,681
Sec. B.806 Tourism and marketing	
Personal services	5,332,723
Operating expenses	6,090,577
Grants	<u>3,920,000</u>
Total	15,343,300
Source of funds	
General fund	4,785,247
Federal funds	10,483,053
Interdepartmental transfers	<u>75,000</u>
Total	15,343,300
Sec. B.808 Vermont council on the arts	
Grants	<u>973,848</u>
Total	973,848

Source of funds	
General fund	<u>973,848</u>
Total	973,848
Sec. B.809 Vermont symphony orchestra	
Grants	<u>149,680</u>
Total	149,680
Source of funds	
General fund	<u>149,680</u>
Total	149,680
Sec. B.810 Vermont historical society	
Grants	<u>1,135,640</u>
Total	1,135,640
Source of funds	
General fund	<u>1,135,640</u>
Total	1,135,640
Sec. B.811 Vermont housing and conservation board	
Grants	<u>82,283,351</u>
Total	82,283,351
Source of funds	
Special funds	25,607,155
Federal funds	<u>56,676,196</u>
Total	82,283,351
Sec. B.812 Vermont humanities council	
Grants	<u>309,000</u>
Total	309,000
Source of funds	
General fund	<u>309,000</u>
Total	309,000
Sec. B.813 Total commerce and community development	
Source of funds	
General fund	22,017,540
Special funds	35,130,444
Federal funds	85,796,026
Interdepartmental transfers	<u>5,749,725</u>
Total	148,693,735
Sec. B.900 Transportation - finance and administration	
Personal services	18,099,986

Operating expenses	6,108,609
Grants	<u>350,000</u>
Total	24,558,595
Source of funds	
Transportation fund	23,202,105
Federal funds	<u>1,356,490</u>
Total	24,558,595
Sec. B.901 Transportation - aviation	
Personal services	3,907,105
Operating expenses	17,194,905
Grants	<u>737,501</u>
Total	21,839,511
Source of funds	
Transportation fund	5,766,122
Federal funds	<u>16,073,389</u>
Total	21,839,511
Sec. B.902 Transportation - buildings	
Personal services	1,025,000
Operating expenses	<u>1,800,000</u>
Total	2,825,000
Source of funds	
Transportation fund	<u>2,825,000</u>
Total	2,825,000
Sec. B.903 Transportation - program development	
Personal services	82,232,854
Operating expenses	307,766,179
Grants	<u>30,605,814</u>
Total	420,604,847
Source of funds	
Transportation fund	65,845,147
TIB fund	14,726,719
Federal funds	334,397,149
Interdepartmental transfers	1,411,518
Local match	<u>4,224,314</u>
Total	420,604,847
Sec. B.904 Transportation - rest areas construction	
Personal services	300,000
Operating expenses	<u>1,185,601</u>
Total	1,485,601

Source of funds	
Transportation fund	148,560
Federal funds	<u>1,337,041</u>
Total	1,485,601
Sec. B.905 Transportation - maintenance state system	
Personal services	42,757,951
Operating expenses	<u>63,680,546</u>
Total	106,438,497
Source of funds	
Transportation fund	105,406,483
Federal funds	932,014
Interdepartmental transfers	<u>100,000</u>
Total	106,438,497
Sec. B.906 Transportation - policy and planning	
Personal services	4,108,918
Operating expenses	942,444
Grants	<u>9,000,491</u>
Total	14,051,853
Source of funds	
Transportation fund	3,137,901
Federal funds	10,797,449
Interdepartmental transfers	<u>116,503</u>
Total	14,051,853
Sec. B.906.1 Transportation - Environmental Policy and Sustainability	
Personal services	6,953,362
Operating expenses	1,176,411
Grants	<u>1,480,000</u>
Total	9,609,773
Source of funds	
Transportation fund	531,909
Federal funds	7,900,327
Local match	<u>1,177,537</u>
Total	9,609,773
Sec. B.907 Transportation - rail	
Personal services	5,734,768
Operating expenses	<u>43,012,063</u>
Total	48,746,831
Source of funds	
Transportation fund	15,690,849

Federal funds	30,641,237
Interdepartmental transfers	2,196,000
Local match	<u>218,745</u>
Total	48,746,831
Sec. B.908 Transportation - public transit	
Personal services	4,612,631
Operating expenses	119,894
Grants	<u>50,807,700</u>
Total	55,540,225
Source of funds	
Transportation fund	9,807,525
Federal funds	45,592,700
Interdepartmental transfers	<u>140,000</u>
Total	55,540,225
Sec. B.909 Transportation - central garage	
Personal services	5,480,920
Operating expenses	<u>18,070,315</u>
Total	23,551,235
Source of funds	
Internal service funds	<u>23,551,235</u>
Total	23,551,235
Sec. B.910 Department of motor vehicles	
Personal services	33,713,124
Operating expenses	<u>13,549,772</u>
Total	47,262,896
Source of funds	
Transportation fund	44,454,119
Federal funds	2,687,081
Interdepartmental transfers	<u>121,696</u>
Total	47,262,896
Sec. B.911 Transportation - town highway structures	
Grants	<u>8,016,000</u>
Total	8,016,000
Source of funds	
Transportation fund	<u>8,016,000</u>
Total	8,016,000
Sec. B.912 Transportation - town highway local technical assistance program	
Personal services	449,763

Operating expenses	<u>31,689</u>
Total	481,452
Source of funds	
Transportation fund	121,452
Federal funds	<u>360,000</u>
Total	481,452
Sec. B.913 Transportation - town highway class 2 roadway	
Grants	<u>8,858,000</u>
Total	8,858,000
Source of funds	
Transportation fund	<u>8,858,000</u>
Total	8,858,000
Sec. B.914 Transportation - town highway bridges	
Personal services	12,185,000
Operating expenses	<u>33,149,278</u>
Total	45,334,278
Source of funds	
TIB fund	3,973,281
Federal funds	39,264,097
Local match	<u>2,096,900</u>
Total	45,334,278
Sec. B.915 Transportation - town highway aid program	
Grants	<u>29,532,753</u>
Total	29,532,753
Source of funds	
Transportation fund	<u>29,532,753</u>
Total	29,532,753
Sec. B.916 Transportation - town highway class 1 supplemental grants	
Grants	<u>128,750</u>
Total	128,750
Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750
Sec. B.917 Transportation - town highway: state aid for nonfederal disasters	
Grants	<u>1,150,000</u>
Total	1,150,000
Source of funds	
Transportation fund	<u>1,150,000</u>

Total	1,150,000
Sec. B.918 Transportation - town highway: state aid for federal disasters	
Personal services	25,000
Grants	<u>155,000</u>
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	<u>160,000</u>
Total	180,000
Sec. B.919 Transportation - municipal mitigation assistance program	
Personal services	125,000
Operating expenses	280,000
Grants	<u>6,738,000</u>
Total	7,143,000
Source of funds	
Transportation fund	715,000
Special funds	5,000,000
Federal funds	<u>1,428,000</u>
Total	7,143,000
Sec. B.920 Transportation - public assistance grant program	
Operating expenses	200,000
Grants	<u>1,050,000</u>
Total	1,250,000
Source of funds	
Special funds	50,000
Federal funds	1,000,000
Interdepartmental transfers	<u>200,000</u>
Total	1,250,000
Sec. B.921 Transportation board	
Personal services	176,315
Operating expenses	<u>23,782</u>
Total	200,097
Source of funds	
Transportation fund	<u>200,097</u>
Total	200,097
Sec. B.922 Total transportation	
Source of funds	
Transportation fund	325,557,772

TIB fund	18,700,000
Special funds	5,050,000
Federal funds	493,926,974
Internal service funds	23,551,235
Interdepartmental transfers	4,285,717
Local match	<u>7,717,496</u>
Total	878,789,194

Sec. B.1000 Debt service

Operating expenses	<u>675,000</u>
Total	675,000
Source of funds	
General fund	<u>675,000</u>
Total	675,000

Sec. B.1001 Total debt service

Source of funds	
General fund	<u>675,000</u>
Total	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 (e)(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 (e)(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:

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

(b) Notwithstanding any provision of law to the contrary, in fiscal year 2025, the following amounts shall revert to the American Rescue Plan Act – Coronavirus State Fiscal Recovery Fund from the accounts indicated:

<u>3440892306 DCF – OEO – Home Weatherization</u>	
<u>Assistance</u>	<u>\$5,000,000.00</u>

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 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. Dinosaur 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. Dinosaur 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. Dinosaur applicant or enrollee shall carry any outstanding premium balance.

Sec. E.306.1 HEALTH INSURANCE MARKETS; TECHNICAL ANALYSIS

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

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

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

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

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

Sec. E.306.2 DVHA; RATE ANALYSES REQUEST

(a) To the extent that resources allow, the Department of Vermont Health Access shall conduct the analysis set forth in subdivision (1) of this subsection first, followed by the analysis set forth in subdivision (2) of this subsection, and shall provide its findings to the House Committees on Health Care and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations on or before January 15, 2025:

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

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

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

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

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

Sec. E.306.3 PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY;
LICENSURE

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

Sec. E.306.4 MEDICARE SAVINGS PROGRAMS; INCOME ELIGIBILITY

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

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

(2) increase the Qualifying Individual Program income threshold to the maximum percent of the federal poverty level allowed under federal law based on the increase to the income threshold for the Qualified Medicare Beneficiary Program in subdivision (1) of this subsection.

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

(a) The Agency of Human Services shall request approval from the Centers for Medicare and Medicaid Services to amend Vermont's Medicaid state plan to expand eligibility for the Medicare Savings Programs as set forth in Sec. E.306.4 of this act.

(b)(1) On or before January 15, 2025, the Agency of Human Services shall provide recommendations to the House Committees on Health Care, on Human Services, and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations regarding the VPharm program to ensure alignment with the Medicare Savings Programs' eligibility expansions set forth in Sec. E.306.4 of this act, including:

(A) whether the VPharm program should be modified or repealed as a result of the Medicare Savings Programs' eligibility expansions;

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

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

(D) when any recommended changes should take effect.

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

(c) On or before January 15, 2027, the Agency of Human Services shall provide cost estimates for expanding eligibility for the Medicare Savings Programs beyond the eligibility expansions set forth in Sec. E.306.4 of this act to the House Committees on Health Care, on Human Services, and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations.

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

§ 931. LIMITATIONS ON CLAIMS OF CREDITORS

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

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

§ 1203. LIMITATIONS ON PRESENTATION OF CLAIMS

(a) All claims against a decedent's estate that arose before the death of the decedent, including claims of the State and any subdivision thereof except claims filed by the State on behalf of Vermont Medicaid, whether due or to become due, absolute or contingent, liquidated or unliquidated, founded on contract, tort, or other legal basis, except claims for the possession of or title to

real estate and claims for injury to the person and damage to property suffered by the act or default of the deceased, if not barred earlier by other statute of limitations, are barred against the estate, the executor or administrator, and the heirs and devisees of the decedent, unless presented as follows:

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

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

* * *

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

Sec. E.311 18 V.S.A. chapter 1, subchapter 2 is amended to read:

Subchapter 2. Health Care Professions; Educational Assistance

* * *

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

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

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

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

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

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

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

~~(d)(b) AHEC shall administer awards in such a way as to comply with the requirements of Section 108(f) of the Internal Revenue Code.~~

~~(c)(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.~~

~~(d)(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.~~

~~(e)(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.~~

~~(f)(f) The Commissioner may adopt rules in order to implement the program established in this section.~~

~~(g)(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 residences certified by the Vermont Alliance for Recovery Residences, including at least two new recovery residences certified by the Vermont Alliance for Recovery Residences.

(b) It is the intent of the General Assembly that recovery residences be funded annually at not less than fiscal year 2025 levels through the Opioid Abatement Special Fund established in 18 V.S.A. § 4774 as long as funds remain available.

Sec. E.314 RATE INCREASE; DESIGNATED AND SPECIALIZED SERVICE AGENCIES

(a) In fiscal year 2025, the Agency of Human Services shall increase the base funding rate for designated and specialized service agencies by three

percent to reflect inflationary increases for developmental disability services and mental health services. These funds shall be used in accordance with all contractual and regulatory requirements as negotiated by the designated and specialized service agencies and the Agency of Human Services.

Sec. E.316 33 V.S.A. § 3531 is amended to read:

§ 3531. CHILD CARE – BUILDING BRIGHT SPACES FOR BRIGHT FUTURES FUNDS FUND

(a) ~~A child care facilities~~ An early childhood services financing program is established to facilitate the development and expansion of ~~child care facilities~~ early childhood service programs in the State. ~~The Program~~ This financing program shall be administered by the Department for Children and Families.

(b) ~~The Program shall be supported from a special fund, to be known as the “Building Bright Spaces for Bright Futures Fund,” referred to in this section as “the Bright Futures Fund,” is hereby created for this purpose to be administered by the Commissioner for Children and Families. Subject to approvals required by 32 V.S.A. § 5, the Fund may accept gifts and donations from any source, and the Commissioner may take appropriate actions to encourage contributions and designations to the account~~ Fund, including publicizing explanations of the purposes of the Fund and the uses to which the Bright Futures Fund has been or will be applied.

(c) ~~Funds appropriated for this Program shall be used by the~~ The Commissioner to award grants to eligible applicants for the development and expansion of child care options and community programs targeted for youths 14 through 18 years of age. These options may include recreational programs and related equipment or facilities, development or expansion of child care facilities, and community-based programs that address specific child care and youth program needs of the applicant region. The Commissioner shall establish by rule, criteria, conditions, and procedures for awarding such grants and administering this Program shall disburse the proceeds of this fund in accordance with the plan developed by the Building Bright Futures Council per 33 V.S.A. § 4603(3) and all applicable administrative bulletins.

Sec. E.316.1 33 V.S.A. § 4601 is amended to read:

§ 4601. DEFINITIONS

As used in this chapter:

(1) “Early care, health, and education” means all services provided to families expecting a child and to children up to ~~the age of six~~ eight years of age, including child care, family support, early education, mental and physical health services, nutrition services, and disability services.

(2) “Regional council” means a regional entity linked to the State Building Bright Futures Council to support the creation of an integrated system of early care, health, and education at the local level.

Sec. E.317 STAKEHOLDER ENGAGEMENT; COMPREHENSIVE CHILD WELFARE INFORMATION SYSTEM

(a) In developing and implementing a comprehensive child welfare information system, the Department for Children and Families’ Division of Family Services shall solicit input from youth, foster parents, kinship care providers, Division staff, and the employees of the Office of Racial Equity’s Division of Racial Justice Statistics.

Sec. E.317.1 2024 Acts and Resolves No. 87, Sec. 101 is amended to read:

~~Sec. 101. FOSTER CARE; SUBSIDIZED ADOPTION; EXPENDITURE~~

~~(a) The Department for Children and Families’ Family Services Division shall spend funds appropriated in 2023 Acts and Resolves No. 78, Sec. B.317 on a four percent rate increase for foster care and subsidized adoption. [Repealed.]~~

Sec. E.317.2 ADOPTION; POST PERMANENCY SERVICES; YOUTH SERVICES

(a) Of the funds appropriated in Sec. B.317 of this act:

(1) \$145,926 General Fund and \$124,308 federal funds shall be for grants to post permanency adoption services;

(2) \$446,253 General Fund shall be for a grant to Spectrum Youth and Family Services for the youth homeless shelter in Saint Albans;

(3) \$125,000 General Fund shall be for grants to be distributed equally to the Vermont Youth Services Bureaus; and

(4) \$181,000 General Fund shall be for grants to support homeless youth services in Vermont.

Sec. E.318 CONSENSUS ESTIMATE; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) On or before December 1, 2024, 2025, and 2026, the Department for Children and Families and the Joint Fiscal Office shall jointly determine and submit a consensus estimate for costs related to the Child Care Financial Assistance Program for the coming fiscal year to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare. This consensus estimate shall

serve as a baseline for the Department for Children and Families' Child Care Financial Assistance Program budget.

Sec. E.318.1 33 V.S.A. § 3517 is amended to read:

§ 3517. CHILD CARE TUITION RATES

A child care provider shall ensure that its tuition rates are available to the public. ~~A regulated child care provider shall not impose an increase on annual child care tuition that exceeds 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. This amount shall be posted on the Department's website annually.~~

Sec. E.318.2 33 V.S.A. § 3517 is amended to read:

§ 3517. CHILD CARE TUITION RATES

A child care provider shall ensure that its tuition rates are available to the public. A regulated child care provider shall not impose an increase on annual child care tuition that exceeds 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. This amount shall be posted on the Department's website annually.

Sec. E.318.3 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;
ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, ~~to the extent that funds permit,~~ the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

* * *

Sec. E.321 GENERAL ASSISTANCE EMERGENCY HOUSING

(a) To the extent emergency housing is available and within the funds appropriated, the Commissioner for Children and Families shall ensure that General Assistance Emergency Housing is provided in fiscal year 2025 to households that attest to lack of a fixed, regular, and adequate nighttime residence and have a member who:

(1) is 65 years of age or older;

(2) has a disability that can be documented by:

(A) receipt of Supplemental Security Income or Social Security Disability Insurance; or

(B) a form developed by the Department as a means of documenting a qualifying disability or health condition that requires:

(i) the applicant's name, date of birth, and the last four digits of the applicant's Social Security number or other identifying number;

(ii) a description of the applicant's disability or health condition;

(iii) a description of the risk posed to the applicant's health, safety, or welfare if temporary emergency housing is not authorized pursuant to this section; and

(iv) a certification of a health care provider, as defined in 18 V.S.A. § 9481, that includes the provider's credentials, credential number, address, and phone number;

(3) is a child 19 years of age or under;

(4) is pregnant;

(5) has experienced the death of a spouse, domestic partner, or minor child that caused the household to lose its housing;

(6) has experienced a natural disaster, such as a flood, fire, or hurricane;

(7) is under a court-ordered eviction or constructive eviction due to circumstances over which the household has no control; or

(8) is experiencing domestic violence, dating violence, sexual assault, stalking, human trafficking, hate violence, or other dangerous or life-threatening conditions that relate to violence against the individual or a household member that caused the household to lose its housing.

(b)(1) General Assistance Emergency Housing shall be provided in a community-based shelter whenever possible. If there is inadequate community-based shelter space available within the Agency of Human Services district in which the household presents itself, the household shall be provided emergency housing in a hotel or motel within the district, if available, until adequate community-based shelter space becomes available in the district. The utilization of hotel and motel rooms pursuant to this subdivision shall be capped at 1,100 rooms per night between September 15, 2024 through November 30, 2024 and between April 1, 2025 through June 30, 2025.

(2) The maximum number of days that an eligible household receives emergency housing in a hotel or motel under this section, per 12-month period, shall not exceed 80 days.

(3) The Department shall provide emergency winter housing to households meeting the eligibility criteria in subsection (a) of this section between December 1, 2024 and March 31, 2025. Emergency housing in a hotel or motel provided pursuant to this subdivision shall not count toward the maximum days of eligibility per 12-month period provided in subdivision (2) of this subsection.

(4)(A) Notwithstanding any rule or law to the contrary, the Department shall require all households applying for or receiving General Assistance Emergency Housing to engage in their own search for and accept any available alternative housing placements. All applicants and eligible households shall regularly provide information to the Department, not less frequently than monthly, about their efforts to secure an alternative housing placement. If the Department determines that a household, at the time of application or during the term of the household's authorization, has not made efforts to secure an alternative housing placement, or has access to an alternative housing placement, the Department shall deny the application or terminate the authorization at the end of the current authorization period.

(B) For purposes of this subdivision (4), "alternative housing placements" may include shelter beds and pods; placements with family or friends; permanent housing solutions, including tiny homes, manufactured homes, and apartments; residential treatment beds for physical health, long-term care, substance use, or mental health; nursing home beds; and recovery homes.

(c) Emergency housing provided pursuant to this section shall replace the catastrophic and noncatastrophic categories adopted by the Department in rule.

(d) Emergency housing required pursuant to this section may be provided through approved community-based shelters, new unit generation, open units, licensed hotels or motels, or other appropriate shelter space. The Department shall, when available, prioritize emergency housing at housing or shelter placements other than hotels or motels.

(e) Case management services provided by case managers employed by or under contract with the Agency of Human Services or reimbursed through an Agency-funded grant shall include assisting clients with finding appropriate housing.

(f) The Commissioner for Children and Families shall adopt emergency rules pursuant to 3 V.S.A. § 844 for the administration of this section, which shall be deemed to have met the emergency rulemaking standard in 3 V.S.A. § 844(a), while permanent rules are pending.

(g) On or before the last day of each month from July 2024 through June 2025, the Department for Children and Families, or other relevant agency or department, shall continue submitting a similar report to that due pursuant to 2023 Acts and Resolves No. 81, Sec. 6(b) to the Joint Fiscal Committee, House Committee on Human Services, and Senate Committee on Health and Welfare. Additionally, this report shall include the Department's monthly expenditure on General Assistance Emergency Housing.

(h) For emergency housing provided in a hotel or motel beginning on July 1, 2024 and thereafter, the Department for Children and Families shall not pay a hotel or motel establishment more than the hotel's lowest advertised room rate and not more than \$80 a day per room to shelter a household experiencing homelessness. The Department for Children and Families may shelter a household in more than one hotel or motel room depending on the household's size and composition.

(i) The Department for Children and Families shall apply the following rules to participating hotels and motels:

(1) Section 2650.1 of the Department for Children and Families' General Assistance (CVR 13-170-260);

(2) Department of Health, Licensed Lodging Establishment Rule (CVR 13-140-023); and

(3) Department of Public Safety, Vermont Fire and Building Safety Code (CVR 28-070-001).

(j)(1) The Department for Children and Families may work with either a shelter provider or a community housing agency to enter into a full or partial facility lease or sales agreement with a hotel or motel provider. Any facility conversion under this section shall comply with the Office of Economic Opportunity's shelter standards.

(2) If the Department for Children and Families determines that a contractual agreement with a licensed hotel or motel operator to secure temporary emergency housing capacity is beneficial to improve the quality, cleanliness, or access to services for those households temporarily housed in the facility, the Department shall be authorized to enter into such an agreement in accordance with the per-room rate identified in subsection (h) of this section; provided, however, that in no event shall such an agreement cause a household to become unhoused. The Department for Children and Families may include provisions to address access to services or related needs within the contractual agreement.

(k) Of the amount appropriated to implement this section, not more than \$500,000 shall be used for security costs.

(l) As used in this section:

(1) “Community-based shelter” means a shelter that meets the Vermont Housing Opportunity Grant Program’s Standards of Provision of Assistance.

(2) “Household” means an individual and any dependents for whom the individual is legally responsible and who live in Vermont. “Household” includes individuals who reside together as one economic unit, including those who are married, parties to a civil union, or unmarried.

Sec. E.321.1 EMERGENCY SHELTERS

(a)(1) The Department for Children and Families shall continue to develop emergency shelters for the provision of lodging between December 1, 2024 and March 31, 2025 to households that do not meet the eligibility criteria for General Assistance Emergency Housing as described in subsection (a) of Sec. E.321 of this act or are otherwise in need of emergency shelter.

(2) The Department shall work with community providers as available to deliver daytime and overnight shelter services.

(b)(1) In fiscal year 2025, \$10,000,000 allocated from the General Fund in Sec. B.1102(b)(9) of this act to expand shelter bed and permanent supportive housing shall be used by the Department to first develop emergency shelters as required in subsection (a) of this section. Any allocated funds that are not needed for emergency shelters may be used to expand permanent shelter bed and permanent supportive housing capacity.

(2) On or before July 15, 2024, the Department shall submit to the Joint Fiscal Committee a plan for the development of emergency shelters required pursuant to this subsection. On or before September 1, 2024 and November 1, 2024, the Department shall submit to the Joint Fiscal Committee progress reports addressing the Department’s efforts to develop sufficient emergency shelter beds, including updates on work to provide overnight shelter and daytime solutions in advance of December 1, 2024.

(c) As used in this section, “emergency shelter” means a congregate, semi-congregate, or non-congregate facility providing safe shelter where limited services shall be offered, including limited storage of possessions and personal hygiene facilities.

Sec. E.321.2 GENERAL ASSISTANCE EMERGENCY HOUSING TASK FORCE

(a) Creation. There is created the General Assistance Emergency Housing Task Force to provide recommendations to the General Assembly regarding the statewide and local operation and administration of the General Assistance Emergency Housing benefit.

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

(1) two representatives with lived experience of homelessness, one representative appointed by the Speaker and one representative appointed by the President Pro Tempore;

(2) a representative, appointed by the Housing and Homelessness Alliance of Vermont;

(3) a representative, appointed by the Vermont Housing and Conservation Board;

(4) a representative, appointed by Vermont Care Partners;

(5) a representative, appointed by the Long-Term Care Crisis Coalition;

(6) a representative, appointed by Vermont 2-1-1;

(7) a representative, appointed by the Vermont League of Cities and Towns;

(8) a representative, appointed by the Vermont Center for Independent Living;

(9) a representative with experience operating an emergency shelter program, appointed jointly by the Speaker of the House and the President Pro Tempore;

(10) the Commissioner of the Department for Children and Families or designee;

(11) the Deputy Commissioner of the Department for Children and Families' Division of Economic Services; and

(12) the Commissioner of the Department of Housing and Community Development or designee.

(c) Powers and duties. The Task Force shall examine and provide recommendations on the following:

(1) household eligibility; maximum days of eligibility; application, notice, and appeals processes; participant requirements; and annual reporting requirements;

(2) the process to establish a single, statewide, unified coordinated entry system with participation from the Department;

(3) the current organization of roles and responsibilities within the Department for Children and Families' Office of Economic Opportunity and the Division of Economic Services;

(4) the number and types of emergency shelter spaces needed and currently available for each geographic region in the State, with a preference for noncongregate shelter spaces;

(5) the identification of a consistent lead agency for each geographic region;

(6) the identification of role and responsibility assigned to the lead agency;

(7) potential adjustments to emergency housing policy during cold weather months;

(8) a process to enable participating households to place a percentage of the household's gross income into savings, which shall be returned to the household for permanent housing expenses when the household exits the General Assistance Emergency Housing;

(9) a mechanism for addressing potential conduct challenges posed by a member of a participating household served in a motel, hotel, or shelter;

(10) the identification of any State rules and local regulations and ordinances that are impeding the timely development of safe, decent, affordable housing in Vermont communities in order to:

(A) identify areas in which flexibility or discretion are available; and

(B) advise whether the temporary suspension of relevant State rules and local regulations and ordinances, or the adoption or amendment of State rules, would facilitate faster and less costly revitalization of existing housing and construction of new housing units;

(11) a mechanism to ensure that eligible households are sheltered until transitional or permanent housing is available; and

(12) strategies to reduce reliance on hotels and motels for emergency housing.

(d) Assistance. The Task Force shall have the administrative, technical, and legal assistance of the Department for Children and Families.

(e) Report. On or before January 15, 2025, the Task Force shall submit a written report to the House Committee on Human Services and the Senate Committee on Health and Welfare with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Commissioner for Children and Families or designee shall call the first meeting of the Task Force to occur on or before August 1, 2024.

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

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

(4) The Task Force shall cease once the report required pursuant to subsection (e) of this section has been submitted to the General Assembly.

(g) Compensation and reimbursement. Members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings. These payments shall be made from monies appropriated to the Department for Children and Families.

Sec. E.323 32 V.S.A. § 306 is amended to read:

§ 306. BUDGET REPORT

(a) The Governor shall submit to the General Assembly, not later than the third Tuesday of every annual session, a budget that shall embody ~~his or her~~ the Governor's estimates, requests, and recommendations for appropriations or other authorizations for expenditures from the State Treasury. In the first year of the biennium, the budget shall relate to the two succeeding fiscal years. In the second year of the biennium, it shall relate to the succeeding fiscal year. The budget shall be based upon the official State revenue estimates, including the Medicaid estimated caseloads and per-member per-month expenditures, adopted by the Emergency Board pursuant to section 305a of this title.

(1) As part of the budget report, the Governor shall:

* * *

(C) itemize current services liabilities, including the total obligations and the amount estimated for full funding in the current year in which an amortization schedule exists. These shall include the following liabilities projected for the start of the budget fiscal year:

* * *

(iii) Reach Up funding full benefit obligations, including the standard of need for the current fiscal year, reflecting the level of financial assistance necessary to meet a family's ongoing basic needs in the current fiscal year as defined in 33 V.S.A. § 1101(13), prior to any rateable reductions made pursuant to 33 V.S.A. § 1103(a), which ensure that the expenditures for the programs shall not exceed appropriations;

* * *

Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the crisis fuel grants pursuant to 33 V.S.A. § 2609(b).

Sec. E.324.1 33 V.S.A. § 2609 is amended to read:

§ 2609. CRISIS RESERVES; ELIGIBILITY AND ASSISTANCE

* * *

(b) Crisis fuel grants ~~shall~~ may be limited per winter heating season to one grant for households that are income-eligible and have received a seasonal fuel assistance grant and meet all eligibility requirements for crisis fuel assistance or to two grants for households that are not income-eligible for seasonal fuel assistance and meet all eligibility requirements for crisis fuel assistance.

Sec. E.325 DEPARTMENT FOR CHILDREN AND FAMILIES; OFFICE OF ECONOMIC OPPORTUNITY

(a) Of the General Fund appropriation in Sec. B.325 of this act, \$25,747,402 shall be used by the Department for Children and Families' Office of Economic Opportunity to issue grants to community agencies assisting individuals experiencing homelessness by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Grant decisions and the administration of funds shall be done in consultation with the two U.S. Department of Housing and Urban Development recognized Continuum of Care programs.

Sec. E.326 DEPARTMENT FOR CHILDREN AND FAMILIES; OFFICE OF ECONOMIC OPPORTUNITY; WEATHERIZATION ASSISTANCE

(a) Of the special fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

Sec. E.326.1 33 V.S.A. § 2502 is amended to read:

§ 2502. HOME WEATHERIZATION ASSISTANCE PROGRAM

* * *

(b) In addition, the Director shall supplement or supplant any federal program with the State Home Weatherization Assistance Program.

(1) The State ~~program~~ Program shall provide an enhanced weatherization assistance amount exceeding the federal per-unit limit allowing amounts up to an average of ~~\$8,500.00~~ \$15,300.00 per unit allocated on a cost-effective basis. The allowable average ~~per unit may be adjusted to account for the lower cost~~ per unit of multifamily buildings will be \$4,500.00. In units where costs exceed the allowable average by more than 25 percent, prior approval of the Director of the State Economic Opportunity Office shall be required before work commences. This amount shall be adjusted annually to account for inflation of materials and labor.

* * *

(c) The ~~Secretary of Human Services~~ Director shall ~~by rule establish~~ require landlords that are not income eligible to enter into a rent stabilization agreements and provisions to recapture amounts expended for weatherization of a rental unit that exceed the amount of agreement that takes into account the energy cost reductions projected to be obtained by eligible tenants of the unit. The time periods established for rent stabilization and recapture shall be set taking into account the size of benefits received by tenants and landlords as well as the effect on Program participation. Funds recaptured under this section shall be deposited into the Home Weatherization Assistance Fund established under section 2501 of this title.

* * *

Sec. E.329 33 V.S.A. § 1602 is amended to read:

§ 1602. VERMONT DEAF, HARD OF HEARING, AND DEAFBLIND
ADVISORY COUNCIL

* * *

(b) Membership. The Advisory Council shall consist of the following members:

* * *

(9) a superintendent, selected by the Vermont Superintendents Association; ~~and~~

(10) a special education administrator, selected by the Vermont Council of Special Education Administrators; ~~and~~

(11) a representative of the Vermont chapter of Hands and Voices.

* * *

Sec. E.338 CORRECTIONS; CORRECTIONAL SERVICES

(a) Notwithstanding 32 V.S.A. § 3709(a), the special fund appropriation of \$152,000 in Sec. B.338 of this act for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.338.1 CORRECTIONS; DOMESTIC VIOLENCE
ACCOUNTABILITY PROGRAMS

(a) \$850,000 of the General Fund appropriation made in Sec. B.338.1 of this act shall be for an annual grant to the Vermont Network Against Domestic and Sexual Violence for Domestic Violence Accountability Programs.

Sec. E.339 OUT-OF-STATE BED SAVINGS; PRETRIAL SUPERVISION
PROGRAM

(a) To the extent that the need for the General Fund dollars appropriated to the Department of Corrections for out-of-state beds in Sec. B.339 of this act is reduced, it is the intent of the General Assembly that these funds be reappropriated to the Department of Corrections for the Pretrial Supervision Program.

Sec. E.345 18 V.S.A. § 9374(h) is amended to read:

~~(h)(1) The Board may assess and collect from each regulated entity the actual costs incurred by the Board, including staff time and contracts for professional services, in carrying out its regulatory duties for health insurance rate review under 8 V.S.A. § 4062; hospital budget review under chapter 221, subchapter 7 of this title; and accountable care organization certification and budget review under section 9382 of this title. The Board may also assess and collect from general hospitals licensed under chapter 43 of this title expenses incurred by the Commissioner of Health in administering hospital community reports under section 9405b of this title.~~

~~(2)(A) In addition to the assessment and collection of actual costs pursuant to subdivision (1) of this subsection and except Except as otherwise provided in subdivisions (2)(C) and (3) (1)(C) and (2) of this subsection (h), all other the expenses of the Board shall be borne as follows:~~

~~(i) 40.0~~ percent by the State from State monies;

~~(ii) 30 28.8~~ percent by the hospitals;

~~(iii) 24 23.2~~ percent by nonprofit hospital and medical service corporations licensed under 8 V.S.A. chapter 123 or 125, health insurance companies licensed under 8 V.S.A. chapter 101, and health maintenance organizations licensed under 8 V.S.A. chapter 139; and

(iv) ~~six 8.0~~ percent by accountable care organizations ~~certified under section 9382~~ of this title.

(B) Expenses under subdivision (A)(iii) of this subdivision ~~(2)(1)~~ shall be allocated to persons licensed under Title 8 based on premiums paid for health care coverage, which for the purposes of this subdivision ~~(2)(1)~~ shall include major medical, comprehensive medical, hospital or surgical coverage, and comprehensive health care services plans, but shall not include long-term care, limited benefits, disability, credit or stop loss, or excess loss insurance coverage.

(C) Expenses ~~incurred by the Board for regulatory duties associated with certificates of need~~ shall be assessed pursuant to the provisions of section 9441 of this title ~~and not~~ shall not be assessed in accordance with the formula set forth in subdivision (A) of this subdivision ~~(2)(1)~~.

~~(3)(2)~~ The Board may determine the scope of the incurred expenses to be allocated pursuant to the formula set forth in subdivision ~~(2)(1)~~ of this subsection if, in the Board's discretion, the expenses to be allocated are in the best interests of the regulated entities and of the State.

~~(4)(3)~~ If the amount of the proportional assessment to any entity calculated in accordance with the formula set forth in subdivision ~~(2)(A)(1)(A)~~ of this subsection would be less than \$150.00, the Board shall assess the entity a minimum fee of \$150.00. The Board shall apply the amounts collected based on the difference between each applicable entity's proportional assessment amount and \$150.00 to reduce the total amount assessed to the regulated entities pursuant to subdivisions ~~(2)(A)(ii)-(iv)~~ ~~(1)(A)(ii)-(iv)~~ of this subsection.

~~(5)(4)(A)~~ Annually on or before September 15, the Board shall report to the House and Senate Committees on Appropriations the total amount of all expenses eligible for allocation pursuant to this subsection (h) during the preceding State fiscal year and the total amount actually billed back to the regulated entities during the same period. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

(B) The Board ~~and the Department~~ shall also present the information required by this subsection (h) to the Joint Fiscal Committee annually at its September meeting.

Sec. E.345.1 18 V.S.A. § 9405b is amended to read:

§ 9405b. HOSPITAL COMMUNITY REPORTS AND AMBULATORY
SURGICAL CENTER QUALITY REPORTS

* * *

(e) The Green Mountain Care Board may assess and collect from general hospitals licensed under chapter 43 of this title expenses incurred by the Commissioner of Health in administering hospital community reports and ambulatory surgical center quality reports under this section.

Sec. E.345.2 GREEN MOUNTAIN CARE BOARD; REFERENCE-BASED PRICING; DATA ANALYSIS; REPORT

(a) The funds appropriated to the Green Mountain Care Board in Sec. B.1100(s)(1) of this act shall be for a contract with a qualified entity for a reference-based pricing analysis that will analyze commercial medical claims for all inpatient and outpatient hospital services and supplies incurred by active and retired members and their dependents enrolled in the State Employees' Health Benefit Plan and in the health benefit plans offered by the Vermont Education Health Initiative during calendar years 2018 to the most recent year for which data are available, to determine what savings, if any, could have been realized for that period if a reference-based pricing methodology benchmarked to Medicare rates had been applied.

(b) On or before December 15, 2024, the Green Mountain Care Board shall report to the House Committees on Health Care and on Government Operations and Military Affairs and the Senate Committees on Health and Welfare and on Government Operations with the results of the analysis and any recommendations for legislative action, as well as identifying the other aspects of Vermont's health care system that likely would be affected by the use of reference-based pricing, such as hospital margins, health insurance premiums, and the State's health care reform efforts.

Sec. E.500 EDUCATION; FINANCE AND ADMINISTRATION

(a) The Global Commitment funds appropriated in Sec. B.500 of this act will be used for physician claims for determining medical necessity of individualized education programs. These services are intended to increase access to quality health care for uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.502 EDUCATION; SPECIAL EDUCATION: FORMULA GRANTS

(a) Of the appropriation authorized in Sec. B.502 of this act, and notwithstanding any other provision of law, an amount not to exceed \$4,329,959 shall be used by the Agency of Education in fiscal year 2025 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

(b) Of the appropriation authorized in Sec. B.502 of this act, and notwithstanding any other provision of law, an amount not to exceed \$500,000 shall be used by the Agency of Education in fiscal year 2025 as funding for 16 V.S.A. § 2975. In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.503 EDUCATION; STATE-PLACED STUDENTS

(a) The Independence Place Program of ANEW Place shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

Sec. E.504 ADULT EDUCATION AND LITERACY

(a) Of the appropriation in Sec. B.504 of this act, \$3,778,133 General Fund shall be granted to adult education and literacy providers, pursuant to the Adult Education and Secondary Credential Program established in 16 V.S.A. § 945.

Sec. E.504.1 EDUCATION; FLEXIBLE PATHWAYS

(a) Notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, of the appropriation in Sec. B.504.1 of this act, \$2,518,755 Education Fund shall be granted by the Agency of Education to adult education and literacy providers pursuant to the Adult Education and Secondary Credential Program established in 16 V.S.A. § 945.

(b) Notwithstanding 16 V.S.A. § 4025, of the Education Fund appropriation in Sec. B.504.1 of this act. the amount of:

(1) \$921,500 is designated for dual enrollment programs, notwithstanding 16 V.S.A. § 944(f)(2);

(2) \$2,000,000 is designated to support the Vermont Virtual High School;

(3) \$400,000 is designated for secondary school reform grants; and

(4) \$4,600,000 is designated for Early College pursuant to 16 V.S.A. § 946.

(c) Of the General Fund appropriation in Sec. B.504.1 of this act, \$921,500 is designated for dual enrollment programs.

Sec. E.504.2 16 V.S.A. § 945 is amended to read:

§ 945. ADULT DIPLOMA PROGRAM; GENERAL EDUCATIONAL DEVELOPMENT PROGRAM ADULT EDUCATION AND SECONDARY CREDENTIAL PROGRAM

(a) The Secretary shall maintain an Adult Diploma Program (ADP), which shall be an assessment process administered by the Agency through which an

~~individual any Vermont resident~~ who is at least ~~20~~ 16 years of age; who has not received a high school diploma; and who is not enrolled in a public or approved independent school, postsecondary institution, or home study program can receive a local high school diploma granted by one of the Program's participating high schools.

(b) The Secretary shall maintain a General Educational Development (GED) Program, which ~~it~~ the Secretary shall administer jointly with the GED testing service and approved local testing centers and through which ~~an adult individual a Vermont resident~~ who is at least 16 years of age ~~and~~; who has not received a high school diploma; and who is not enrolled in ~~secondary a public or an approved independent~~ school, a postsecondary institution, or a home study program can receive a secondary school equivalency certificate based on successful completion of the GED tests.

(c) The Secretary may provide additional programs designed to address the individual needs and circumstances of adult students, particularly students with the lowest levels of literacy skills.

(d) The diagnostic portion of the Program referenced in subsection 4011(f) of this title shall be used as a tool to evaluate the educational needs of and skills gained by individual students but shall not be used to exclude individuals from the Program or to condition payments to local education and literacy providers.

Sec. E.504.3 REPEAL

16 V.S.A. § 943 (High School Completion Program) is repealed.

Sec. E.504.4 16 V.S.A. § 4011 is amended to read:

§ 4011. EDUCATION PAYMENTS

(a) Annually, the General Assembly shall appropriate funds to pay for statewide education spending and a portion of a base education amount for each adult ~~diploma~~ education and secondary credential program student.

* * *

(f) Annually, the Secretary shall pay to a ~~department or agency~~ local adult education and literacy provider, as defined in section 942 of this title, that provides an adult ~~diploma~~ education and secondary credential program an amount equal to 26 percent of the base education amount for each student who ~~completed~~ completes the diagnostic ~~portion~~ portions of the program, based on an average of the previous two years; 40 percent of the payment required under this subsection shall be from State funds appropriated from the Education Fund and 60 percent of the payment required under this subsection shall be from State funds appropriated from the General Fund.

* * *

Sec. E.504.5 16 V.S.A. § 944 is amended to read:

§ 944. DUAL ENROLLMENT PROGRAM

* * *

(b) Students.

(1) A Vermont resident who has completed grade 10 but has not received a high school diploma is eligible to participate in the Program if:

(A) the student:

* * *

(ii) ~~is assigned to a public school through the High School Completion Program~~ a student in the Adult Diploma Program under subsection 945(a) of this title; or

* * *

Sec. E.504.6 16 V.S.A. § 941 is amended to read:

§ 941. FLEXIBLE PATHWAYS INITIATIVE

(a) There is created within the Agency a Flexible Pathways Initiative:

* * *

(b) The Secretary shall develop, publish, and regularly update guidance, in the form of technical assistance, sharing of best practices and model documents, legal interpretations, and other support designed to assist school districts:

* * *

(3) to create opportunities for secondary students to pursue flexible pathways to graduation that:

* * *

(C) include:

* * *

(v) ~~the High School Completion Program as set forth in section 943 of this title; and [Repealed.]~~

(vi) ~~the Adult Diploma Program and General Educational Development Program~~ adult education and secondary credential opportunities as set forth in section 945 of this title; and

* * *

Sec. E.507.1 ENGLISH LANGUAGE LEARNERS; CATEGORICAL AID

(a) The funds appropriated in Sec. B.507.1 of this act shall be used to provide categorical aid to school districts for English Learner services, pursuant to 16 V.S.A. § 4013.

Sec. E.514 STATE TEACHERS' RETIREMENT SYSTEM

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the Vermont State Teachers' Retirement System shall be \$201,182,703, of which \$191,382,703 shall be the State's contribution and \$9,800,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$37,842,027 is the "normal contribution," and \$163,340,676 is the "accrued liability contribution."

Sec. E.514.1 VERMONT STATE TEACHERS' RETIREMENT SYSTEM
AND VERMONT PENSION INVESTMENT COMMISSION;
OPERATING BUDGET, SOURCE OF FUNDS

(a) Of the \$3,572,780 appropriated in Sec. B.514.1 of this act, \$2,516,037 constitutes the Vermont State Teachers' Retirement System operating budget, and \$1,056,743 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont State Teachers' Retirement System.

Sec. E.515 RETIRED TEACHERS' HEALTH CARE AND MEDICAL
BENEFITS

(a) In accordance with 16 V.S.A. § 1944b(b)(2) and (h)(1), the annual contribution to the Retired Teachers' Health and Medical Benefits plan shall be \$70,482,644, of which \$62,107,644 shall be the State's contribution and \$8,375,000 shall be from the annual charge for teacher health care contributed by employers pursuant to 16 V.S.A. § 1944d. Of the annual contribution, \$21,648,946 is the "normal contribution," and \$48,833,698 is the "accrued liability contribution."

Sec. E.600 UNIVERSITY OF VERMONT

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.600 of this act to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$380,362 shall be transferred to the Experimental Program to Stimulate Competitive Research to comply with State matching

fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602 VERMONT STATE COLLEGES

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.602 of this act to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center to comply with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602.1 2021 Acts and Resolves No. 74, Sec. E.602.2, as amended by 2022 Acts and Resolves No. 83, Sec. 67 and 2022 Acts and Resolves No. 185, Sec. C.101, is further amended to read:

Sec. E.602.2 VERMONT STATE COLLEGES

(a) The Vermont State College (VSC) system shall transform itself into a fully integrated system that achieves financial stability in a responsible and sustainable way in order to meet each of these strategic priorities:

* * *

(b) VSC shall meet the following requirements during the transformation of its system required under subsection (a) of this section and shall accommodate the oversight of the General Assembly in so doing.

(1) VSC shall reduce its structural deficit by \$5,000,000.00 per year for three years and by \$3,500,000.00 per year for the following two years through a combination of annual operating expense reductions and increased enrollment revenues, for a total of ~~\$25,000,000.00~~ \$22,000,000.00 by the end of fiscal year 2026. These reductions shall be structural in nature and shall not be met by use of one-time funds. The VSC Board of Trustees, through the Chancellor or designee, shall report the results of these structural reductions to the House and Senate Committees on Education and on Appropriations annually during the Chancellor's budget presentation.

* * *

Sec. E.603 VERMONT STATE COLLEGES; ALLIED HEALTH

(a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other State funding sources.

(b) The Vermont State Colleges shall use the Global Commitment funds appropriated in Sec. B.603 of this act to support the dental hygiene, respiratory therapy, and nursing programs that graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries or uninsured or underinsured persons.

Sec. E.605 VERMONT STUDENT ASSISTANCE CORPORATION

(a) Of the funds appropriated to the Vermont Student Assistance Corporation in Sec. B.605 of this act:

(1) \$25,000 shall be deposited into the Trust Fund established in 16 V.S.A. § 2845;

(2) not more than \$300,000 may be used by the Vermont Student Assistance Corporation for a student aspirational initiative to serve one or more high schools; and

(3) not less than \$1,000,000 shall be used to continue the Vermont Trades Scholarship Program established in 2022 Act and Resolves No. 183, Sec. 14.

(b) Of the funds appropriated to the Vermont Student Assistance Corporation in Sec. B.605 of this act that are remaining after accounting for the expenditures set forth in subsection (a) of this section, not less than 93 percent shall be used for direct student aid.

(c) After accounting for the expenditures set forth in subsection (a) of this section, up to seven percent of the funds appropriated to the Vermont Student Assistance Corporation in Sec. B.605 of this act or otherwise currently or previously appropriated to the Vermont Student Assistance Corporation or provided to the Vermont Student Assistance Corporation by an agency or department of the State for the administration of a program or initiative may be used by the Vermont Student Assistance Corporation for its costs of administration. The Vermont Student Assistance Corporation may recoup its reasonable costs of collecting the forgivable loans in repayment. Funds shall not be used for indirect costs. To the extent that any of these funds are federal funds, allocation for expenses associated with administering the funds shall be consistent with federal grant requirements.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) Notwithstanding 16 V.S.A. § 4025, the sum of \$41,225 Education Fund and \$41,225 General Fund is appropriated to the Vermont Student Assistance Corporation for dual enrollment and need-based stipend purposes to fund a flat-rate, need-based stipend or voucher program for financially disadvantaged

students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. The Vermont Student Assistance Corporation shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) On or before January 15, 2025, the Vermont Student Assistance Corporation shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs.

Sec. E.704 DEPARTMENT OF FORESTS, PARKS AND RECREATION;
WATER QUALITY ASSISTANCE PROGRAM EXPANSION;
PILOT

(a) Using the funds appropriated in Sec. B.1100(1)(1) of this act, the Department of Forests, Parks and Recreation shall as a pilot expand the Water Quality Assistance Program established in 10 V.S.A. § 2622a to enable the Program to provide financial assistance to logging contractors to ensure implementation of proactive and preventative water quality protection and climate adaptation practices on harvest sites. The Program shall provide financial assistance to logging contractors for the following:

(1) implementation of accepted management practices and other best practices defined by the Department on harvest sites to enhance water quality protection and climate adaptation measures before forest operations take place;

(2) purchase by logging contractors of materials or practices that can be used for forest access road construction, landing preparation, bridge construction or installation, culvert protection or installation, and sediment control in advance of harvest implementation in order to comply with the accepted management practices and other potentially applicable water quality requirements; and

(3) financial assistance or cost share for a logging contractor to be Master Logger Certified by third-party entities, such as the Northeast Master Logger Certification Program of the Trust to Conserve Northeast Forestlands.

(b) The Department of Forests, Parks and Recreation may establish criteria for eligibility under the Water Quality Assistance Program, including priority of assistance and application requirements.

(c) The Water Quality Assistance Program shall operate as a pilot program in fiscal year 2025.

(d) On or before July 15, 2025, the Commissioner of Forests, Parks and Recreation shall report to the House Committee on Agriculture, Food Resiliency, and Forestry and the Senate Committee on Natural Resources and Energy the results of the pilot Water Quality Assistance Program.

Sec. E.802 10 V.S.A. § 699 is amended to read:

§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

* * *

(e) Program requirements applicable to grants. For a grant awarded through the Program, the following requirements apply for a minimum period of five years:

(1) A landlord shall coordinate with nonprofit housing partners and local coordinated entry organizations to identify potential tenants.

(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a landlord shall lease the unit to a household that is exiting homelessness or actively working with an immigrant or refugee resettlement program or composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household ~~exiting homelessness~~ under subdivision (A) of this subdivision (e)(2) is not available to lease the unit, then the landlord shall lease the unit:

* * *

Sec. E.910 23 V.S.A. § 304c is amended to read:

§ 304c. MOTOR VEHICLE REGISTRATION PLATES: BUILDING
BRIGHT SPACES FOR BRIGHT FUTURES FUND

(a) The Commissioner shall, upon application, issue “Building Bright Spaces for Bright Futures Fund,” referred to as “~~the Bright Futures Fund,~~” registration plates for use only on vehicles registered at the pleasure car rate, on trucks registered for less than 26,001 pounds, on vehicles registered to State agencies under section 376 of this title, and excluding vehicles registered under the International Registration Plan. Plates so acquired shall be mounted on the front and rear of the vehicle. The Commissioner of Motor Vehicles shall utilize the graphic design recommended by the Commissioner for Children and Families for the special plates to enhance the public awareness of the State’s interest in supporting children’s early childhood services. Applicants shall apply on forms prescribed by the Commissioner of Motor Vehicles and shall pay an initial fee of \$29.00 in addition to the annual fee for

registration. In following years, in addition to the annual registration fee, the holder of a ~~Bright Futures Fund~~ plate shall pay a renewal fee of \$29.00. The Commissioner of Motor Vehicles shall adopt rules under 3 V.S.A. chapter 25 to implement the provisions of this subsection.

(b) Fees collected under subsection (a) of this section shall be ~~allocated~~ deposited as follows:

(1) 29 percent to in the Transportation Fund.

(2) 71 percent to ~~the Department for Children and Families for deposit~~ in the Building Bright Futures Fund created in 33 V.S.A. § 3531.

(c) Renewal fees collected under subsection (a) of this section shall be ~~allocated~~ deposited as follows:

(1) 79 percent to ~~the Department for Children and Families for deposit~~ in the Building Bright Futures Fund created in 33 V.S.A. § 3531.

(2) 21 percent to in the Transportation Fund.

(d) The Department of Motor Vehicles shall be charged by the Department of Corrections for the production of the Building Bright Futures ~~Fund~~ license plates.

Sec. E.915 TRANSPORTATION; TOWN HIGHWAY AID PROGRAM

(a) The total appropriation in Sec. B.915 of this act is authorized, notwithstanding the provisions of 19 V.S.A. § 306(a).

* * * Financial Regulation Fees * * *

Sec. F.100 8 V.S.A. § 4800(2)(A)(iii) is amended to read:

(iii) Except as provided in subdivisions (I) and (II) of this subdivision, initial and annual producer appointment fees for each qualification set forth in section 4813g of subchapter 1A of this chapter for resident and nonresident producers acting as agents of foreign insurers, ~~\$60.00~~ \$80.00:

* * *

Sec. F.101 9 V.S.A. § 5302(e) is amended to read:

(e) At the time of the filing of the information prescribed in subsection (a), (b), (c), or (d) of this section, except investment companies subject to 15 U.S.C. § 80a-1 et seq., the issuer shall pay to the Commissioner a fee of ~~\$600.00~~ \$820.00. The fee is nonrefundable.

Sec. F.102 9 V.S.A. § 5302(f) is amended to read:

(f) Investment companies subject to 15 U.S.C. § 80a-1 et seq. shall pay to the Commissioner an initial notice filing fee of ~~\$2,000.00~~ \$2,275.00 and an annual renewal fee of ~~\$1,650.00~~ \$2,025.00 for each portfolio or class of investment company securities for which a notice filing is submitted.

Sec. F.103 9 V.S.A. § 5410(b) is amended to read:

(b) The fee for an individual is ~~\$120.00~~ \$145.00 when filing an application for registration as an agent, ~~\$120.00~~ \$145.00 when filing a renewal of registration as an agent, and ~~\$120.00~~ \$145.00 when filing for a change of registration as an agent. The fee is nonrefundable.

* * * Pay Act * * *

Sec. G.100 COLLECTIVE BARGAINING AGREEMENTS; FISCAL YEARS

2025 AND 2026

(a) Fiscal year 2025. This act fully funds the first year of the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and the Vermont Troopers' Association for the period of July 1, 2024 through June 30, 2025. The collective bargaining agreements for most classified employees provide in fiscal year 2025 an average 1.9 percent step increase and 4.5 percent across-the-board increase for a total of a 6.4 percent increase.

(b) Fiscal year 2026. This act fully funds the second year of the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and the Vermont Troopers' Association for the period of July 1, 2025 through June 30, 2026. The collective bargaining agreements for most classified employees provide in fiscal year 2026 an average 1.9 percent step increase and 3.5 percent across-the-board increase for a total of a 5.4 percent increase.

Sec. G.101 EXEMPT EMPLOYEES; PERMITTED SALARY INCREASES; FISCAL YEARS 2025 AND 2026

(a) Fiscal year 2025. The Executive, Judicial, and Legislative Branches may extend the fiscal year 2025 provisions of the collective bargaining agreements that are funded by this act to employees not covered by the bargaining agreements as they determine to be appropriate and in accordance with the appropriations provided to each branch.

(b) Fiscal year 2026. The Executive, Judicial, and Legislative Branches may extend the fiscal year 2026 provisions of the collective bargaining agreements that are funded by this act to employees not covered by the

bargaining agreements as they determine to be appropriate and in accordance with the appropriations provided to each branch.

Sec. G.102 EXECUTIVE BRANCH; EXEMPT AGENCY AND
DEPARTMENT HEADS, DEPUTIES, AND EXECUTIVE
ASSISTANTS; ANNUAL SALARY ADJUSTMENT AND
SPECIAL SALARY INCREASE OR BONUS

(a) Fiscal year 2025. For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), “the average rate of adjustment available to most classified employees under the collective bargaining agreement” shall be, in fiscal year 2025, 6.4 percent.

(b) Fiscal year 2026. For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), “the average rate of adjustment available to most classified employees under the collective bargaining agreement” shall be, in fiscal year 2026, 5.4 percent.

Sec. G.103 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

(a) Each elective officer of the Executive Department is entitled to an annual salary as follows:

	<u>Annual Salary as of July 3, 2022</u>	<u>Annual Salary as of July 2, 2023</u>	<u>Annual Salary as of July 14, 2024</u>	<u>Annual Salary as of July 13, 2025</u>
(1) Governor	\$201,150	\$208,995	\$222,371	\$234,379
(2) Lieutenant Governor	\$85,384	\$88,714	\$94,392	\$99,489
(3) Secretary of State	\$127,548	\$132,522	\$141,003	\$148,617
(4) State Treasurer	\$127,548	\$132,522	\$141,003	\$148,617
(5) Auditor of Accounts	\$127,548	\$132,522	\$141,003	\$148,617
(6) Attorney General	\$152,725	\$158,681	\$168,837	\$177,954

(b) The Governor may appoint each officer of the Executive Branch listed in this subsection at a starting salary ranging from the base salary stated for that position to a salary that does not exceed the maximum salary unless otherwise authorized by this subsection. The maximum salary for each appointive officer shall be 50 percent above the base salary. Annually, the Governor may grant to each of those officers an annual salary adjustment subject to the maximum salary. The annual salary adjustment granted to

officers under this subsection shall not exceed the average rate of adjustment available to most classified employees under the collective bargaining agreement then in effect. In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase subject to the maximum salary, or a bonus, to any officer listed in this subsection whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average rate of adjustment available to most classified employees under the collective bargaining agreement then in effect.

(1) Heads of the following Departments and Agencies:

	Base Salary as of July 3, 2022	Base Salary as of July 2, 2023	Base Salary as of July 14, 2024	Base Salary as of July 13, 2025
(A) Administration	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(B) Agriculture, Food and Markets	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(C) Financial Regulation	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(D) Buildings and General Services	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(E) Children and Families	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(F) Commerce and Community Development	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(G) Corrections	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(H) Defender General	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(I) Disabilities, Aging, and Independent Living	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>

(J) Economic Development	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(K) Education	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(L) Environmental Conservation	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(M) Finance and Management	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(N) Fish and Wildlife	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(O) Forests, Parks and Recreation	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(P) Health	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(Q) Housing and Community Development	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(R) Human Resources	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(S) Human Services	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(T) Digital Services	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(U) Labor	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(V) Libraries	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(W) Liquor and Lottery	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(X) [Repealed.]				
(Y) Mental Health	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(Z) Military	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(AA) Motor Vehicles	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(BB) Natural Resources	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(CC) Natural Resources Board Chair	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>

(DD) Public Safety	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(EE) Public Service	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(FF) Taxes	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(GG) Tourism and Marketing	\$103,149	\$107,172	<u>\$114,031</u>	<u>\$120,189</u>
(HH) Transportation	\$121,634	\$126,378	<u>\$134,466</u>	<u>\$141,727</u>
(II) Vermont Health Access	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>
(JJ) Veterans' Home	\$113,710	\$118,145	<u>\$125,706</u>	<u>\$132,494</u>

(2) [Repealed.]

(3) If the Chair of the Natural Resources Board is employed on less than a full-time basis, the hiring and salary maximums for that position shall be reduced proportionately.

(4) When a permanent employee is appointed to an exempt position, the Governor may authorize such employee to retain the present salary even though it is in excess of any salary maximum provided in statute.

* * *

(d) Notwithstanding the maximum salary established in subsection (b) of this section, the Defender General shall not receive compensation in excess of the compensation established for the Attorney General in this section.

(e) Notwithstanding the maximum salary established in subsection (b) of this section, the maximum salary for the Commissioner of Health shall not exceed 100 percent above the base salary for this position.

Sec. G.104 32 V.S.A. § 1003(c) is amended to read:

(c) The officers of the Judicial Branch named in this subsection shall be entitled to annual salaries as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 3,</u> <u>2022</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 2,</u> <u>2023</u>	<u>-Annual</u> <u>Salary</u> <u>as of</u> <u>July 14,</u> <u>2024</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 13,</u> <u>2025</u>
(1) Chief Justice of Supreme Court	\$193,600	\$201,150	<u>\$214,024</u>	<u>\$225,581</u>
(2) Each Associate Justice	\$184,771	\$191,977	<u>\$204,264</u>	<u>\$215,294</u>

(3) Administrative Judge	\$184,771	\$191,977	<u>\$204,264</u>	<u>\$215,294</u>
(4) Each Superior Judge	\$175,654	\$182,505	<u>\$194,185</u>	<u>\$204,671</u>
(5) [Repealed.]				
(6) Each Magistrate	\$132,441	\$137,606	<u>\$146,413</u>	<u>\$154,319</u>
(7) Each Judicial Bureau hearing officer	\$132,441	\$137,606	<u>\$146,413</u>	<u>\$154,319</u>

Sec. G.105 32 V.S.A. § 1141 is amended to read:

§ 1141. ASSISTANT JUDGES

(a)(1) Each assistant judge of the Superior Court shall be entitled to receive compensation in the amount of ~~\$203.05~~ \$224.47 a day as of ~~July 3, 2022~~ July 14, 2024 and ~~\$210.97~~ \$236.59 a day as of ~~July 2, 2023~~ July 13, 2025 for time spent in the performance of official duties and necessary expenses as allowed to classified State employees. Compensation under this section shall be based on a two-hour minimum and hourly thereafter.

(2)(A) The compensation paid to an assistant judge pursuant to this section shall be paid by the State except as provided in subdivision (B) of this subdivision (2).

(B) The compensation paid to an assistant judge pursuant to this section shall be paid by the county at the State rate established in subdivision (a)(1) of this section when an assistant judge is sitting with a presiding Superior judge in the Civil or Family Division of the Superior Court.

(b) Assistant judges of the Superior Court shall be entitled to receive pay for such days as they attend court when it is in actual session or during a court recess when engaged in the special performance of official duties.

Sec. G.106 32 V.S.A. § 1142 is amended to read:

§ 1142. PROBATE JUDGES

(a) The Probate judges in the several Probate Districts shall be entitled to receive the following annual salaries, which shall be paid by the State in lieu of all fees or other compensation:

<u>Annual</u> <u>Salary</u> <u>as of</u>	<u>Annual</u> <u>Salary</u> <u>as of</u>	<u>Annual</u> <u>Salary</u> <u>as of</u>	<u>Annual</u> <u>Salary</u> <u>as of</u>
--	--	--	--

	<u>July 3,</u> <u>2022</u>	<u>July 2,</u> <u>2023</u>	<u>July 14,</u> <u>2024</u>	<u>July 13,</u> <u>2025</u>
(1) Addison	\$69,249	\$71,950	\$76,555	\$80,689
(2) Bennington	\$87,541	\$90,955	\$96,776	102,002
(3) Caledonia	\$61,412	\$63,807	\$67,891	\$71,557
(4) Chittenden	\$146,093	\$151,791	\$161,506	\$170,227
(5) Essex	\$17,156	\$17,825	\$18,966	\$19,990
(6) Franklin	\$69,249	\$71,950	\$76,555	\$80,689
(7) Grand Isle	\$17,156	\$17,825	\$18,966	\$19,990
(8) Lamoille	\$48,343	\$50,228	\$53,443	\$56,329
(9) Orange	\$57,489	\$59,731	\$63,554	\$66,986
(10) Orleans	\$56,183	\$58,374	\$62,110	\$65,464
(11) Rutland	\$124,126	\$128,967	\$137,221	\$144,631
(12) Washington	\$95,379	\$99,099	\$105,441	\$111,135
(13) Windham	\$77,089	\$80,095	\$85,221	\$89,823
(14) Windsor	\$104,527	\$108,604	\$115,555	\$121,795

(b) Probate judges shall be entitled to be paid by the State for their actual and necessary expenses under the rules pertaining to classified State employees. The compensation for the Probate judge of the Chittenden District shall be for full-time service.

(c) All Probate judges, regardless of the number of hours worked annually, shall be eligible to participate in all employee benefits that are available to exempt employees of the Judicial Department.

Sec. G.107 32 V.S.A. § 1182 is amended to read:

§ 1182. SHERIFFS

(a) The sheriffs of all counties except Chittenden shall be entitled to receive salaries in the amount of ~~\$94,085.00~~ \$104,010.00 as of ~~July 3, 2022~~ July 14, 2024 and ~~\$97,754.00~~ \$109,627.00 as of ~~July 2, 2023~~ July 13, 2025. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~\$99,566.00~~ \$110,070.00 as of ~~July 3, 2022~~ July 14, 2024 and ~~\$103,449.00~~ \$116,014.00 as of ~~July 2, 2023~~ July 13, 2025.

(b) Compensation under subsection (a) of this section shall be reduced by 10 percent for any sheriff who has not obtained Level III law enforcement officer certification under 20 V.S.A. § 2358.

Sec. G.108 32 V.S.A. § 1183 is amended to read:

§ 1183. STATE'S ATTORNEYS

(a) The State's Attorneys shall be entitled to receive annual salaries as follows:

	<u>Annual Salary as of July 3, 2022</u>	<u>Annual Salary as of July 2, 2023</u>	<u>Annual Salary as of July 14, 2024</u>	<u>Annual Salary as of July 13, 2025</u>
(1) Addison County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>
(2) Bennington County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>
(3) Caledonia County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>
(4) Chittenden County	\$133,051	\$138,240	<u>\$147,087</u>	<u>\$155,030</u>
(5) Essex County	\$95,451	\$99,174	<u>\$105,521</u>	<u>\$111,219</u>
(6) Franklin County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>
(7) Grand Isle County	\$95,451	\$99,174	<u>\$105,521</u>	<u>\$111,219</u>
(8) Lamoille County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>
(9) Orange County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>
(10) Orleans County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>
(11) Rutland County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>
(12) Washington County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>
(13) Windham County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>
(14) Windsor County	\$127,265	\$132,228	<u>\$140,691</u>	<u>\$148,288</u>

(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.]

FINAL MESSAGES AND COMMUNICATIONS**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 13th day of May 2024, he signed bills originating in the House of the following titles:

- H. 27 An act relating to coercive controlling behavior and abuse prevention orders**
- H. 350 An act relating to the Uniform Directed Trust Act**
- H. 606 An act relating to professional licensure and immigration status**
- H. 629 An act relating to changes to property tax abatement and tax sales**
- H. 861 An act relating to reimbursement parity for health care services delivered in person, by telemedicine, and by audio-only telephone and extending time for flood abatement reimbursement**
- H. 884 An act relating to the modernization of governance for the St. Albans Cemetery Association**

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 13th day of May 2024, *he allowed to become law without his signature* a bill originating in the House of the following title:

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

Governor's Letter

“May 13, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Today I am allowing H.649, *An act relating to the Vermont Truth and Reconciliation Commission*, to become law without my signature.

I am concerned that although the Truth and Reconciliation Commission is a taxpayer-funded governmental body, with a budget of over \$1 million in Fiscal Year 2025, this bill carves out a special exception from the Open Meetings Law for Commission deliberations. This means there will be no visibility into the Commission’s consideration of evidence or testimony, or discussions of the reasons for or against the Commission’s acts or decisions.

As the Vermont Supreme Court has noted, the overriding goal of open government “is nothing less than foundational to our republic. In the words of John Adams:

Liberty cannot be preserved without a general knowledge among the people, who have a right ... and a desire to know; but besides this, they have a right, an independent right, an indisputable, unalienable, indefeasible, divine right to that most dreaded and envied kind of knowledge, I mean of the characters and conduct of their rulers.”
Hum. Rts. Def. Ctr. v. Correct Care Sols., LLC, 2021 VT 63 (2021).

I understand the politics are sensitive, but knowing what the government is doing and how it’s doing it is fundamental to a healthy, functioning democracy regardless of the politics.

Sincerely,
Philip B. Scott
Governor
PBS/kp”

Message from the Governor

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

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 20th day of May 2024, he signed bills originating in the House of the following :

H. 659 An act relating to banking, insurance, and securities

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

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 20th day of May 2024, he returned without signature and *vetoed* a bill originating in the House of Representatives of the following title:

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

Governor's Veto Letter

“May 20, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.706, *An act relating to banning the use of neonicotinoid pesticides*, without my signature because of my objections described herein.

Pollinators are essential to growing food and maintaining a healthy, thriving ecosystem. The same is true of farmers, who are also critical contributors to our economy, but altogether, this legislation is more anti-farmer than it is pro-pollinator.

It's important to note, the honeybee population has grown, while the use of neonics has persisted. In fact, the USDA Census for 2017-2022 shows Vermont's honeybee population has grown about 30 percent. Additionally, the science is not conclusive on whether this ban will achieve the desired results, but the bill has the potential to produce severe unintended environmental and economic consequences—particularly for Vermont's dairy farmers.

Although neonics are approved by the U.S. Environmental Protection Agency and used on a variety of crops, this bill would ban neonic-treated seeds of corn, soybean, and all other cereal grains (wheat, rice, oats, etc.) and it bans outdoor uses on soybeans, cereal grains, ornamental plants, any plant in bloom and certain vegetables after bloom.

To put the impacts of this bill into context, Vermont grows about 90,000 acres of corn, while the U.S. grows 90 million acres of corn, and almost all corn seed sold in the U.S. is treated with neonics. This would put Vermont farmers at a significant disadvantage.

This is especially concerning given the fact Vermont is struggling to keep dairy farmers, and many more have been put at risk through higher taxes and energy prices, crop losses associated with last year's spring frost, and summer and winter floods.

This bill unfairly targets dairy farmers reliant on corn crops and will harm farmers without achieving its goals for pollinators. For these reasons I cannot sign it into law.

Rather than eliminating an important EPA-approved tool, we should continue to closely monitor and study the issues and science to protect both family farms – and the food they produce – and pollinators.

Sincerely,

Philip B. Scott
Governor"

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 23rd day of May 2024, he signed bills originating in the House of the following titles:

H. 247 An act relating to Vermont’s adoption of the Occupational Therapy Licensure Compact

H. 883 An act relating to making appropriations for support of government

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 23rd day of May 2024, he returned without signature and *vetoed* a bill originating in the House of Representatives of the following title:

H. 289 An act relating to the Renewable Energy Standard

Governor’s Veto Letter

“May 23, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I’m returning H.289, *An act relating to the Renewable Energy Standard*, without my signature because of my objections described herein.

I don’t believe there is any debate that H.289 will raise Vermonters’ utility rates, likely by hundreds of millions of dollars. And while that in itself is reason enough to earn a veto, it is even more frustrating when you consider our Department of Public Service proposed to the Legislature a much stronger plan at a fraction of the cost.

Their proposal was crafted after 18 months of engagement with Vermonters about what *they* want their energy policy to look like. It would get us to where we all want to go faster, more affordably and more equitably than H.289.

For the reasons stated above, and factoring in all the other taxes, fees and higher costs the Legislature has passed over the last two years, I simply cannot allow this bill to go into law.

With a better alternative to this bill available, I sincerely hope that the Legislature will think about Vermonters and the cost of living, and sustain this veto.

Sincerely,

Philip B. Scott
Governor
PBS/kp”

Message from the Governor

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

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 29th day of May 2024, he signed bills originating in the House of the following titles:

- H. 862 An act relating to approval of amendments to the charter of the Town of Barre**
- H. 869 An act relating to approval of the merger of Brandon Fire District No. 1 and Brandon Fire District No. 2**
- H. 872 An act relating to miscellaneous updates to the powers of the Vermont Criminal Justice Council and the duties of law enforcement officers**
- H. 881 An act relating to approval of an amendment to the charter of the City of Burlington**
- H. 885 An act relating to approval of an amendment to the charter of the Town of Berlin**
- H. 888 An act relating to approval of an amendments to the charter of the Town of Hartford**

Message from the Governor

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

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 30th day of May 2024, he signed bills originating in the House of the following titles:

- H. 233 An act relating to licensure and regulation of pharmacy benefit managers**
- H. 503 An act relating to approval of amendments to the charter of the Town of St. Johnsbury**
- H. 534 An act relating to retail theft**
- H. 563 An act relating to unlawful trespass in a motor vehicle and unauthorized operation of a motor vehicle without the owner's consent**
- H. 585 An act relating to amending the pension system for sheriffs and certain deputy sheriffs**

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 30th day of May 2024, he returned without signature and *vetoed* a bill originating in the House of Representatives of the following title:

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

Governor's Veto Letter

"May 30, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.72, *An act relating to harm-reduction criminal justice response to drug use*, without my signature because of my objections described herein.

Drug addiction is something we must continuously address, and this important work is never done. That's why year after year, I have prioritized expansion and enhancement of prevention, enforcement, treatment, and long-term recovery services. I have been urging the Legislature to strengthen the law enforcement response to the increasingly toxic drug stream entering our state. And I feel for every family grieving an overdose death.

While these sites are well-intentioned, this costly experiment will divert financial resources from proven prevention, treatment and recovery strategies, as well as harm reduction initiatives that facilitate entry into treatment rather than continued use. While it may consolidate the widespread drug use in Burlington into a smaller area within the city, it will come at the expense of the treatment and recovery needs of other communities, for whom such a model will not work.

Vermont's existing overdose prevention strategies – including widespread Narcan distribution, fentanyl testing strips, needle exchanges, enhanced prevention, treatment and recovery through local coalitions are resulting in some positive trends in relation to overdose deaths. And paired with increased enforcement, and the ability to invest Opioid Settlement funds in additional strategies like drug testing, naloxone vending machines, contingency management and expanded outreach, I'm hopeful we will continue to see fewer and fewer overdose deaths.

Sincerely,

Philip B. Scott
Governor"

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 3rd day of June 2024, he signed bills originating in the House of the following titles:

- H. 546 An act relating to administrative and policy changes to tax laws**
- H. 657 An act relating to the modernization of Vermont's communications taxes and fees**
- H. 707 An act relating to revising the delivery and governance of the Vermont workforce system**
- H. 794 An act relating to services provided by the Vermont Veterans' Home**
- H. 868 An act relating to the fiscal year 2025 Transportation Program and miscellaneous changes to laws related to transportation**

H. 871 An act relating to the development of an updated State aid to school construction program

Message from the 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 4th day of June 2024, he signed bills originating in the House of the following titles:

- H. 614 An act relating to land improvement fraud and timber trespass**
- H. 661 An act relating to child abuse and neglect investigation and substantiation standards and procedures**
- H. 704 An act relating to disclosure of compensation in job advertisements**
- H. 867 An act relating to miscellaneous amendments to the laws governing alcoholic beverages and the Board of Liquor and Lottery**
- H. 886 An act relating to approval of amendments to the charter of the City of South Burlington**

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 4th day of June 2024, he returned without signature and *vetoed* a bill originating in the House of Representatives of the following title:

- H. 645 An act relating to the expansion of approaches to restorative justice**

Governor's Veto Letter

“June 4, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.645, *An act relating to the expansion of approaches to restorative justice*, without my signature because of my objections described herein.

While I understand the desire to help those, particularly youth, who need second, third and even fourth chances to get their lives on track, H.645 is not workable because it is not funded.

The bottom line is this bill expands the responsibilities of the Office of the Attorney General, which will require additional resources, and yet the new work is not funded.

There is no guarantee we will have the taxpayer money needed to fund it next year. For this reason, I'm returning this bill without my signature.

Sincerely,

Philip B. Scott
Governor
PBS/kp”

Message from the Governor

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

Madam Speaker:

I am directed by the Governor to inform the House of Representatives that on the 6th day of June 2024, he returned without signature and *vetoed* a bill originating in the House of Representatives of the following title:

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

Governor's Veto Letter

“June 6, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm vetoing H.887, *An act relating to homestead property tax yields, nonhomestead rates,*

and policy changes to education finance and taxation, because of my objections described herein.

Vermonters cannot afford a double-digit property tax increase. Especially while facing a historic eight-percent property tax increase last year, a 20% increase in DMV fees, a new payroll tax taking effect July 1, increased fuel costs to heat homes and businesses from the Clean Heat Standard, and increased electric costs if my veto of the Renewable Energy Standard is not sustained. All on top of several years of inflation – the most regressive tax of all – driving up the cost of household essentials like food, clothing and services faster than paychecks are growing.

We must provide property tax relief now. This can't wait for another study before implementing cost containment strategies. We must also reform our education funding formula to ensure sustainable spending growth and equitable opportunities, and prioritize funding educational opportunities that improve outcomes by reinvesting in the strategies that best serve kids over maintaining the status quo.

We can achieve each of these goals this year if legislators will work with me.

Sincerely,

Philip B. Scott
Governor
PBS/kp”

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 6th day of June 2024, he signed bills originating in the House of the following titles:

- H. 622 An act relating to emergency medical services**
- H. 870 An act relating to professions and occupations regulated by the Office of Professional Regulation**
- H. 876 An act relating to miscellaneous amendments to the corrections laws**
- H. 877 An act relating to miscellaneous agricultural subjects**
- H. 878 An act relating to miscellaneous judiciary procedures**

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

Message from the Senate No. 76

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 Governor has informed the Senate that on the 6th day of May, he approved and signed bills originating in the Senate of the following titles:

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

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

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

The Governor has informed the Senate that on the 23rd day of May, he approved and signed bills originating in the Senate of the following titles:

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

S. 189. An act relating to mental health response service guidelines and the safety of social service and home health providers.

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

The Governor has informed the Senate that on the 28th day of May, he approved and signed bills originating in the Senate of the following titles:

S. 159. An act relating to the County and Regional Governance Study Committee.

S. 183. An act relating to reenvisioning the Agency of Human Services.

S. 246. An act relating to amending the Vermont basic needs budget and livable wage.

The Governor has informed the Senate that on the 28th day of May, he did not approve and *allowed to become law without his signature* a bill originating in the Senate of the following title:

S. 209. An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers.

The text of the communication to the Senate from His Excellency, the Governor, setting forth his reasons for refusing to sign and *allowing to become law without his signature*, **Senate Bill No. 209** is as follows:

May 28, 2024

The Honorable John Bloomer
Secretary of the Senate
115 State Street
Montpelier, VT 05633

Dear Secretary Bloomer:

Today I'm allowing S.209, *An act relating to prohibiting unserialized firearms and unserialized firearms frames and receivers*, to become law without my signature.

As a public safety measure, I agree firearms should be serialized, which is why I'm allowing this bill to become law despite some concerns about its practicality and impact.

Over the last decade, as anti-policing policies increased and criminal accountability has steadily decreased, violent crime has grown in Vermont. This is why I believe we should instead focus on measures that will reverse these trends over those, like S.209, that are unlikely to have any measurable impact on violent crime.

In addition to my concerns about this bill's effectiveness, I would have preferred the Legislature not criminalize mere possession when there is no evidence of criminal intent. I also strongly believe the Legislature should reinstate the gun show exemption to the 3-day waiting period, which was supported by the Senate this session, and I hope the Legislature will revisit this next session. The 3-day waiting period was enacted to prevent individuals from impulsively purchasing a weapon to take their own life, and the evidence does not support that these types of purchases would happen at a gun show.

I appreciate, however, that legislators found some middle ground and removed the 3-day waiting period for a firearm owner seeking to have a firearm serialized. The waiting period, which like gun shows, made no sense in this context and would have deterred compliance.

Again, while my concerns on the practical impacts and enforceability keep me from signing this bill, I'm allowing it to go into law because I understand the fears behind access to untraceable firearms and respect the effort to tailor the scope and exceptions to limit impact for law abiding citizens.

Sincerely,
Philip B. Scott
Governor
PBS/kp

The Governor has informed the Senate that on the 28th day of May, he did not approve and *allowed to become law without his signature* a bill originating in the Senate of the following title:

S. 102. An act relating to expanding employment protections and collective bargaining rights.

The text of the communication to the Senate from His Excellency, the Governor, setting forth his reasons for refusing to sign and *allowing to become law without his signature*, **Senate Bill No. 102**, is as follows:

May 28, 2024

The Honorable John Bloomer
Secretary of the Vermont State Senate
115 State Street
Montpelier, VT 05633

Dear Mr. Bloomer:

I'm allowing S.102, *An act relating to expanding employment protections and collective bargaining rights*, to become law without my signature. One concern with the bill is the potential to adversely impact the employer-employee relationship by limiting an employer's ability to communicate their point of view on a range of issues, including the advantages and disadvantages of unionization.

Further, the "card check" provision of S.102 will affect non-unionized employees in public school districts, State and municipal government, other governmental subdivision entities and potentially domestic workers, which could lead to higher municipal and property taxes in the future.

I'm also concerned that S.102 is a slippery slope to future disruptions in the employee-employer relationship in agriculture, domestic services and independent contracting as well as any local businesses and non-profits working solely within state lines.

Fortunately, the National Labor Relations Act (NLRA) will help limit the adverse impacts of this bill on the private sector, which is why I can allow S.102 to become law without my signature.

However, I urge the Legislature to monitor the economic, affordability and tax burden impacts of this policy as it moves forward.

Sincerely,
Philip B. Scott
Governor
PBS/kp

The Governor has informed the Senate that on the 29th day of May, he approved and signed bills originating in the Senate of the following titles:

S. 58. An act relating to public safety.

S. 114. An act relating to the establishment of the Psychedelic Therapy Advisory Working Group.

The Governor has informed the Senate that on the 30th day of May, he approved and signed bills originating in the Senate of the following titles:

S. 25. An act relating to regulating consumer products containing perfluoroalkyl and polyfluoroalkyl substances or other chemicals.

S. 30. An act relating to creating a Sister State Program.

S. 55. An act relating to updating Vermont's Open Meeting Law.

S. 98. An act relating to Green Mountain Care Board authority over prescription drug costs and the Green Mountain Care Board nomination and appointment process.

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

S. 191. An act relating to New American educational grant opportunities.

S. 192. An act relating to civil commitment procedures at a secure residential recovery facility and a psychiatric residential treatment facility for youth and civil commitment procedures for individuals with an intellectual disability.

S. 195. An act relating to how a defendant's criminal record is considered in imposing conditions of release.

S. 204. An act relating to supporting Vermont's young readers through evidence-based literacy instruction.

S. 206. An act relating to designating Juneteenth as a legal holiday.

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

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

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

The Governor has informed the Senate that on the 30th day of May, he did not approve but *will become law without his signature* a bill originating in the Senate of the following title:

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

The text of the communication to the Senate from His Excellency, the Governor, setting forth his reasons for refusing to sign, *but becoming law without his signature*, **Senate Bill No. 213**, is as follows:

May 30, 2024

The Honorable John Bloomer
Secretary of the Vermont State Senate
115 State Street
Montpelier, VT 05633

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, S.213, *An act relating to the regulation of wetlands, river corridor development, and dam safety*, will become law without my signature.

S.213 is another example of this Legislature's practice of passing complex and significant policies without appropriate consideration of whether they can even be implemented.

Throughout the session, the Agency of Natural Resources' subject matter experts repeatedly told legislators that the work required in the bill is not achievable in the timeline it sets.

Specifically, S.213 envisions a major new river corridor regulatory program – which will impact development on roughly 45,000 parcels and 209,000 acres statewide – will be up and running in three years. And this is just one of the four complex initiatives this bill directs – including expanded regulation of wetlands and dam safety oversight. With the program anticipated to have a sizeable impact on communities and landowners, this pace is reckless.

However, we also told legislators throughout the session, we support the goals and agree this work needs to be done. Therefore, this bill will become law without my signature, but you can expect us to come back in January and propose a sensible timeline that is actually achievable and does this work correctly for the people of Vermont.

Sincerely,
Philip B. Scott
Governor

PBS/kp

The Governor has informed the Senate that on the 30th day of May, he did not approve but *will become law without his signature* a bill originating in the Senate of the following title:

S. 259. An act relating to climate change cost recovery.

The text of the communication to the Senate from His Excellency, the Governor, setting forth his reasons for refusing to sign, *but becoming law without his signature*, **Senate Bill No. 259**, is as follows:

May 30, 2024

The Honorable John Bloomer
Secretary of the Vermont State Senate
115 State Street
Montpelier, VT 05633

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, S.259, *An act relating to climate change cost recovery*, will become law without my signature.

Instead of coordinating with other states like New York and California, with far more abundant resources, Vermont – one of the least populated states with the lowest GDP in the country – has decided to recover costs associated with climate change on its own.

Taking on “Big Oil” should not be taken lightly. And with just \$600,000 appropriated by the Legislature to complete an analysis that will need to withstand intense legal scrutiny from a well-funded defense, we are not positioning ourselves for success.

I’m deeply concerned about both short- and long-term costs and outcomes. Just look at our unsuccessful nationally-focused cases on GMOs, campaign finance and pharmaceutical marketing practices. I’m also fearful that if we fail in this legal challenge, it will set precedent and hamper other states’ ability to recover damages.

Having said that, I understand the desire to seek funding to mitigate the effects of climate change that has hurt our state in so many ways. I also note Attorney General Clark and Treasurer Pieciak have endorsed this policy and committed to the work it will require. I’m also comforted by the fact that the Agency of Natural Resources is required to report back to the Legislature in January 2025 on the feasibility of this effort, so we can reassess our go-it-alone approach.

So, for these reasons, this bill will become law without my signature. I hope those who endorsed this policy will follow through.

Sincerely,
Philip B. Scott
Governor
PBS/kp

The Governor has informed the Senate that on the 3rd day of June, he approved and signed bills originating in the Senate of the following titles:

S. 220. An act relating to Vermont's public libraries.

S. 253. An act relating to building energy codes.

S. 254. An act relating to including rechargeable batteries and battery-containing products under the State battery stewardship program.

The Governor has informed the Senate that on the 6th day of June, he approved and signed bills originating in the Senate of the following titles:

S. 302. An act relating to public health outreach programs regarding dementia risk.

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

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

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 10th day of June 2024, he signed bills originating in the House of the following titles:

H. 626 An act relating to animal welfare

H. 780 An act relating to judicial nominations and appointments

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

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 10th day of June 2024, bills originating in the House of the following titles *will become law without his signature*:

H. 612 An act relating to miscellaneous cannabis amendments

H. 630 An act relating to improving access to high-quality education through community collaboration

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

Governor's Letter

“June 10, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, H.612, *An act relating to miscellaneous cannabis amendments*, will become law without my signature. When cannabis became legal in Vermont, I emphasized safeguards around use, especially for our kids. This bill takes some steps forward, and some steps back, in this area.

On the positive side, it closes a loophole related to hemp infused products with THC. It ensures individuals with significant, documented medical needs continue to have access to medical cannabis. It makes progress toward safeguards for those under 21 seeking access to more potent medical products. And it's responsive to municipal concerns regarding setbacks for outdoor cannabis cultivators.

I'm concerned, however, about warnings from healthcare providers that the availability of high potency medical cannabis products in more retail stores will increase use among those who do not have a valid medical prescription. I believe the Legislature should add additional guardrails and penalties to ensure medical cannabis cards are legitimately obtained and not illegally diverted. I'm also concerned that continued reductions in licensing fees will inevitably mean

revenue dedicated to prevention will have to be used to fund Cannabis Control Board operations, instead of the prevention efforts we must continue to prioritize.

It's important to note, the regulation of Vermont's cannabis market remains vulnerable to powerful interests that favor profits over the health and wellbeing of children. Vermont must remain true to the approach the Legislature has crafted by continuing to prioritize prevention and the health of our communities over the profits of growers and retailers.

On balance, however, I believe the benefits of this bill still outweigh the risks and that we have an opportunity to further protect against harmful outcomes when the Legislature returns in January.

Sincerely,

Philip B. Scott
Governor
PBS/kp”

Governor's Letter

“June 10, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, H.630, *An act relating to improving access to high-quality education through community collaboration*, will become law without my signature.

As Vermonters know all too well, taxpayers – and our entire economy – are straining under historic inflation, unsustainable growth in government spending, and the possibility of a double-digit tax rate increase if the Legislature overrides my veto of H.887. While H.630 is well intentioned, I'm concerned this bill creates another level of bureaucracy, when we need to create a more efficient and effective system.

We may disagree in some areas of education reform, but there is universal agreement in the need for a focused review of Vermont's education system to reduce costs, increase equity, and improve student outcomes. Which leads me to believe H.630 could be putting the cart before the horse.

Having said that, this bill will become law without my signature because it gives communities the choice to opt into, or stay out of, a cooperative, and they have until July 1, 2026 to make that determination. This timeline provides an opportunity to prevent H.630 from becoming another idea from Montpelier that diverts education funding and management time away from the quality of our classrooms.

Sincerely,

Philip B. Scott
Governor
PBS/kp”

Governor’s Letter

“June 10, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, H.875, *An act relating to the State Ethics Commission and the State Code of Ethics* will become law without my signature.

A uniform statewide code of ethics that applies to all those performing public service in state government – across all three branches – and at the local level builds faith and trust in the institutions of our democracy. At a time when distrust in government is rising, and fear is used by politicians to divide us, the State has undertaken this important effort, as have many municipalities. I have been pleased to sign several previous ethics bills into law.

However, with the addition of municipal compliance, the Legislature did not fund reporting, investigations or the salary of a full-time Executive Director. These amount to another unfunded mandate, which could add to the municipal tax burden, and will add to the workload of municipal officials already working full tilt to take full advantage of the unprecedented investments in infrastructure my Administration is implementing.

The bill also has odd inconsistencies, in that it exempts school board members and some other local officials from having to meet the new requirements. Finally, I was troubled by changes to the composition of the Ethics Commission, to include members appointed by legislators, rather than by a neutral, non-partisan process.

Sincerely,

Philip B. Scott
Governor”

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 12th day of June 2024, he signed bills originating in the House of the following titles:

H. 173 An act relating to prohibiting manipulating a child for the purpose of sexual contact

H. 644 An act relating to access to records by individuals who were in foster care

H. 655 An act relating to studies of policies and procedures regarding the sealing of criminal history records

H. 745 An act relating to the Vermont Parentage Act

Message from the 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 13th day of June 2024, he signed bills originating in the House of the following titles:

H. 10 An act relating to amending the Vermont Employment Growth Incentive Program

H. 279 An act relating to the Uniform Trust Decanting Act

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 13th day of June 2024, he returned without signature and *vetoed* bills originating in the House of Representatives of the following titles:

H. 121 An act relating to enhancing consumer privacy and the age-appropriate design code

H. 687 An act relating to community resilience and biodiversity protection through land use

Governor's Veto Letter

“June 13, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.121, *An act relating to enhancing consumer privacy and the age-appropriate design code*, without my signature because of my objections herein. This bill creates an unnecessary and avoidable level of risk.

One area of risk comes from the bill's "private right of action," which would make Vermont a national outlier, and more hostile than any other state to many businesses and non-profits – a reputation we already hold in a number of other areas. I appreciate this provision is narrow in its impact, but it will still negatively impact mid-sized employers, and is generating significant fear and concern among many small businesses.

Another area of risk comes from the "Kids Code" provision. While this is an important goal we can all support, similar legislation in California has already been stopped by the courts for likely First Amendment violations. We should await the decision in that case to craft a bill that addresses known legal pitfalls before charging ahead with policy likely to trigger high risk and expensive lawsuits. Vermonters will already be on the hook for expensive litigation when the Attorney General takes on "Big Oil," and should not have to pay for additional significant litigation already being fought by California.

Finally, the bill's complexity and unique expansive definitions and provisions create big and expensive new burdens and competitive disadvantages for the small and mid-sized businesses Vermont communities rely on. These businesses are already poised to absorb an onslaught of new pressures passed

by the Legislature over the last two years, including a payroll tax, a Clean Heat Standard, a possible Renewable Energy Standard (if my veto is overridden), not to mention significant property tax increases.

The bottom line is, we have simply accumulated too much risk. However, if the underlying goals are consumer data privacy and child protection, there is a path forward. Vermont should adopt Connecticut's data privacy law, which New Hampshire has largely done with its new law. Such regional consistency is good for both consumers and the economy.

Sincerely,

Philip B. Scott
Governor"

Governor's Veto Letter

"June 13, 2024

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.687, *An act relating to community resilience and biodiversity protection through land use*, without my signature because of my objections described below. But first, I want to assure you, there is a path forward and I would respectfully ask the Legislature to pass a replacement bill that will result in more housing while protecting rural communities from additional economic harm.

Despite almost universal consensus, I don't believe we've done nearly enough to address Vermont's housing affordability crisis.

H.687 is heavily focused on conservation and actually expands Act 250 regulation. And it does so at a pace that will slow down current housing efforts. Vermonters need us to focus on building and restoring the homes communities desperately need to revitalize working class neighborhoods, reverse our negative demographic trends, and support economic investment in the future.

Specifically, I would suggest a compromise that would achieve more balance and could be passed next week, with the following changes to H.687:

- **Modify removal provisions for the chair and executive director of the Land Use Review Board and ensure some political balance –**

This measure is critical to ensuring accountability to Vermonters and prevent overregulation that will harm rural communities.

- **Modify the current Road Rule with the Amendment proposed by Senator Sears** – The addition of the Road Rule is a significant expansion of Act 250 that will make it harder to build. While I would prefer it be removed entirely, the Amendment proposed by Senator Sears would reduce the harmful impact. That amendment mirrors the recommendations of the Natural Resources Board (NRB) study group consensus report.
- **Extend the timeline to allow for reasonable implementation and more housing** – The current timeline for the new regulatory system is not achievable and will delay the permitting process for much-needed projects. Extending deadlines for interim exemptions to 2029 to coordinate with the start of the new system, will ensure Vermonters see the full benefit of the housing package, and a more thoughtful process.
- **Extend the interim exemptions to additional communities in need of housing** – Apply interim exemptions to areas serviced by municipal water and wastewater to give smaller, more rural communities the same opportunity for housing.
- **Increase the tools to spark revitalization of blighted units in low-income communities** – First, we should reverse the decision to exclude Bennington, Grand Isle and Essex counties from using the property tax value freeze available to every other county. Second, without impacting the FY25 budget, we can redirect new Property Transfer Tax revenue to increase the Downtown and Village Center Tax Credits by \$2 million. Third, implement the tri-partisan proposal for a Property Transfer Tax exemption when turning blighted properties into housing.
- **Make the 1B designation easier to achieve for long-term housing solutions** – Revert to the Senate-passed provision to automatically map all eligible Tier 1B areas while still enabling municipalities to opt-out of the Tier 1B designation, helping these communities benefit from housing exemptions sooner.
- **Limit appeals in designated areas to ensure interim exemptions can be used to boost housing** – Designated areas indicate that a community wants housing so limiting appeals makes sense and will allow the interim exemptions to have the jump-start effect we're seeking.

To be clear, I would not object to the remaining H.687 provisions if the above changes were made – meaning I’m conceding a significant number of concerns, because I’m committed to a responsible compromise.

Working together on these changes would demonstrate to Vermonters that prioritizing housing wasn’t just a talking point.

Sincerely,

Philip B. Scott
Governor
PBS/kp”